

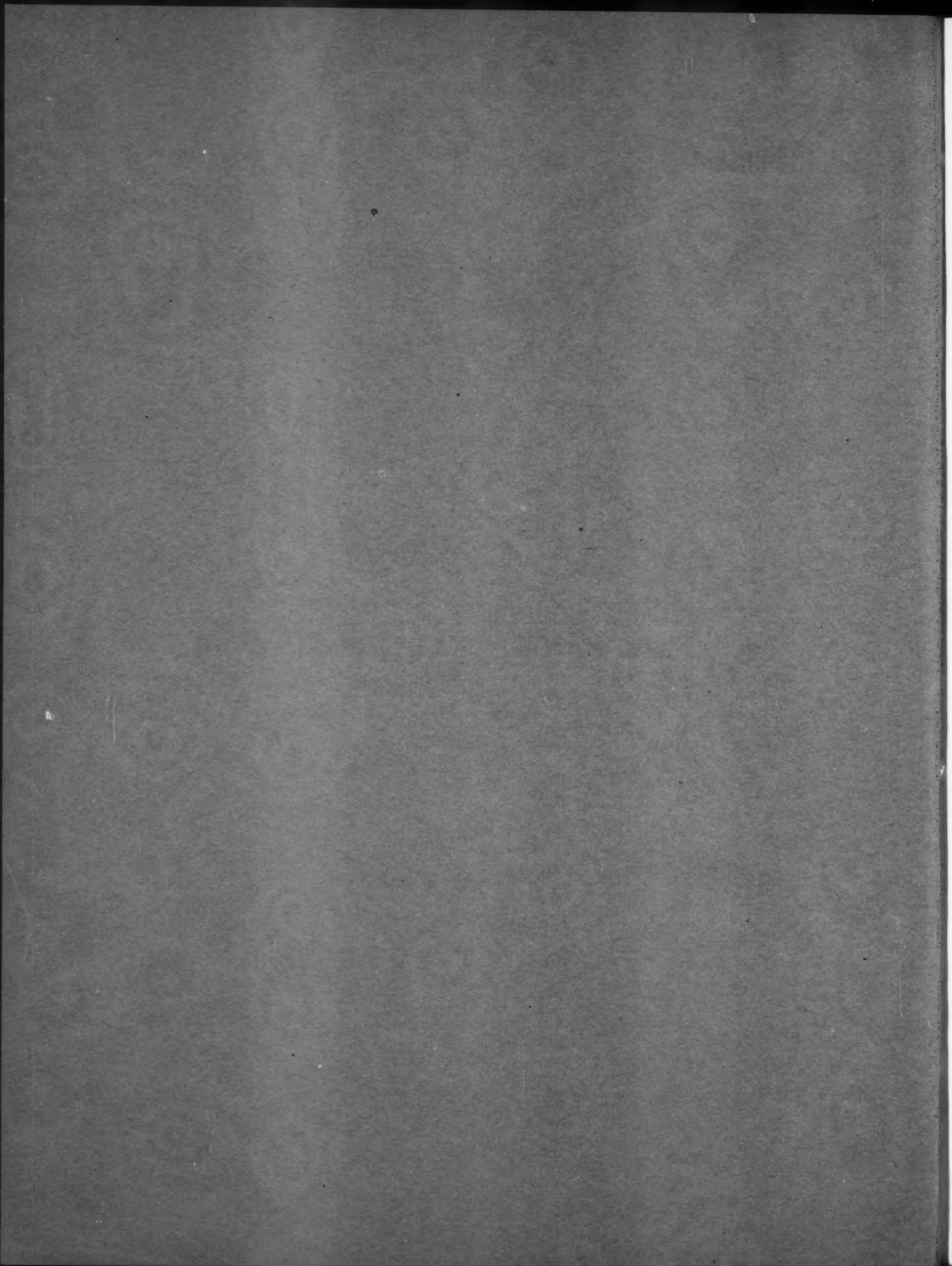
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LAWS AND REGULATIONS AFFECTING FOREIGN INVESTMENT IN ASIA AND THE FAR EAST¹

Foreign capital is derived from private sources and from governments and international bodies. Capital from public sources, as a rule, comes under special agreements and consequently is not affected by the general body of laws and regulations on foreign investment promulgated by the capital-importing countries. Such laws and regulations mainly concern private foreign capital, which may be either direct or portfolio investment.² The present paper deals essentially with laws and regulations affecting private foreign investment in these two forms.

The laws and regulations that directly affect private foreign investment fall broadly into four groups: (1) those affecting entry and authorization; (2) those affecting operational aspects (such as division of ownership and management between nationals and foreigners, employment and training of nationals); (3) those affecting transfer of income and capital (exchange control); and (4) those affecting taxation. An exhaustive study of each of these subjects would be a very large task. Consequently the present paper attempts only to present a broad general picture of the situation, constructed on the basis of materials available from governments and other sources. The material is incomplete and uneven in certain respects, and consequently the picture has gaps. But what has been available has also been substantial, and sufficient to make the attempt worth while.

The climate for foreign investment in a country obviously depends not only on laws and regulations applying directly, but also on the general background of economic and political conditions prevailing in the country. Factors such as manpower and material resources, market conditions and prospects, transport facilities, stability or instability of exchange rates, expectations regarding political and economic changes, all play a part. These basic factors affecting investment are of course not discussed in the present paper.

¹ The present paper was issued as an introduction to the report on "Laws and Regulations Affecting Foreign Investment in Asia and the Far East" prepared by the secretariat of the Economic Commission for Asia and the Far East at the request of the Commission (ECAFE/L.122, 12 March 1957). This report brings to date, with some expansion of country coverage, the information presented in the United Nations report entitled *Foreign Investment Laws and Regulations of the Countries of Asia and the Far East*, published in 1951 (sales number: 1951.II.F.1).

² By direct investment, is meant acquisition of sufficient interest in an undertaking to ensure its control by the investor. Portfolio investment, on the other hand, means purchase of stocks and bonds in an undertaking on a scale not sufficient to transfer control to the investor. See definitions in Organization for European Economic Co-operation (OEEC), *Private United States Investment in Europe and the Overseas Territories* (Paris, 1954).

THE REASONS FOR CONTROL

Although laws and regulations differ considerably in the countries of the region, the general attitude to foreign investment which they reflect may be said to be one of restricted and conditional welcome. In the United Kingdom colonial territories, the old tradition of an open door, particularly if capital comes from the United Kingdom monetary area, still substantially prevails, but in the newly independent countries, among others, a policy of regulation in various degrees has evolved. In a region whose domestic capital resources for economic development are very poor, this policy of controlling and limiting the inflow of foreign capital, though apparently paradoxical, is not difficult to understand. The great contribution that foreign capital can make to economic development, particularly if it brings with it improved technology and managerial skills, is well realized. Actually, most governments have made this quite clear in their policy statements. They have felt, however, that controls are necessary in order to safeguard the economic interest of the countries. The chief considerations that have prompted controls seem to be the following.

First, there is the general cost-benefit consideration. If foreign capital is allowed to operate in fields where profit margins are more than ordinarily high, and completely take away the profits, the benefit to the country in employment, subsidiary industries and so on may prove in the long run to be less than the cost. In such a case, a country may choose to defer the exploitation of its resources rather than hand them over to foreign capitalists. This feeling on the part of some governments has been strengthened by the spectacularly high profits which certain types of foreign investment have earned in the past in countries of the region, although of course they may not at all represent the true long-term yield of the investments. It appears that it is to guard against this danger of long-run loss to the country that some governments have denied certain industries to foreign capital, or have laid down strict conditions for the association of domestic capital with foreign capital.

A second consideration is the possible effect of the particular investment on the country's balance of payments. Foreign investment, quite aside from its obvious advantages, means an annual foreign exchange drain in interest, dividends and, in many cases, special foreign expenditure on materials and skills. This has to be weighed against the foreign exchange gain it may bring in export expansion or import substitution. In addition, exchange will be required if and when the investment seeks repatriation, which may happen suddenly or be spread over a period of time. There is also a danger that exchange may leak out through exaggerated state-

ments of capital invested or returns obtained, defeating the country's exchange control regulations. For these reasons a system of screening, regulation and registration of incoming investment has generally been resorted to, particularly in countries whose balance of payments position and outlook are not satisfactory. Registration and validation by an exchange control authority also enables the foreign investor to establish an official record of his investment, thereby defining and ensuring, to the extent permitted by the regulations, his right to remit income and capital. In Japan, for instance, unless this protective registration takes place, no guarantee of remittance of income and principal is given.

A third consideration relates to key or strategic industries. It is considered politically and economically insecure to entrust them to foreign ownership and control, particularly if the industries are large and monopolistic. They are therefore either completely barred to foreign capital or a controlling domestic participation is insisted on.

A fourth consideration follows from the adoption of over-all investment planning. Most countries of the region are moving in various degrees from laissez-faire to planned economies. To the extent that such plans are adopted, controls on the direction and size of investment, both foreign and domestic, are an inevitable corollary.

Finally, there has been a desire that foreign investment should not overlap or unduly compete with domestically owned investment already in the field. This may be described as a variation of the "infant industry" argument. No such danger is of course likely to arise in fully planned economies, but in unplanned or partly planned economies, the possibility has to be met by suitable controls on the entry and operation of foreign investment. There has similarly been a desire to protect domestic industries from "unequal competition" from existing foreign industries.

These are of course not the only reasons that have produced the existing controls. Even in the economic field, there have been other factors at work. For instance, the prevailing economic ideology of the country is a factor. An economy that plans to socialize production rapidly can be stricter towards the inflow of private foreign investment than an economy that desires to promote private investment generally. The country's need for capital is also important. Capital-hungry countries are likely to offer more liberal conditions to foreign capital than countries which can largely meet their own capital needs. Besides economic considerations, there are also political and historical factors. However, the five considerations listed above may be said to be the more direct and immediate factors producing controls.

THE PATTERN OF CONTROLS

The salient features of the laws and policies currently in force in the region, and the chief changes made in them since 1950, to which year the earlier ECAFE study on the subject related, are summarized below. The

analysis also helps to reveal the more important differences in the treatment of foreign capital in the countries of the region.³

General policy statements and enactments

Some countries of the region have embodied in one general policy statement or law the most important features of the control structure in force in the country. This helps to define the position to the prospective foreign investor who has otherwise to wade through a mass of specific laws and regulations touching on different aspects, such as entry and authorization, operation, income and capital repatriation, and taxation. It is a further help to him if this policy statement or law is supplemented by the establishment of a central office or bureau which can give him all necessary information and also serve as a link between him and the controlling ministries and departments.

For instance, general statutes on foreign investment have been passed by the Governments of Japan (1950), Afghanistan (1954), the Republic of China (1954) and Cambodia (1956). Certain other governments like those of Indonesia, the Republic of Korea and the Philippines, are contemplating the enactment of such general laws in the near future. In Indonesia, a draft bill has already been approved by the Cabinet. Broad policy statements, as distinguished from actual legislation, have been made by a number of governments, for instance, Burma, Ceylon, Indonesia and the Republic of Viet-Nam (all in 1955). Pakistan, which had issued an Industrial Policy Statement in 1948, revised it considerably in 1954; the revised statement provided for more liberal treatment of foreign investment. Pakistan has also established a Business Facilities and Information Bureau, one of the few in the region, for the benefit of the foreign investor. India issued a new Industrial Policy Resolution in 1956, redrawing the boundaries between public and private investment and confirming the general principles regarding the entry and operation of foreign investment laid down in the earlier policy resolution of 1948.

Basic statements and laws of this type are necessarily very general in character. They can only set forth the most important principles and conditions governing foreign investment. Nevertheless, they serve a very useful purpose and might well be more widely adopted by the countries of the region.

Entry and authorization

In every country of the region, an authorization or official approval of some sort is required for importing foreign capital or starting a foreign-owned project. In the case of portfolio investment, authorization is easy and is practically identified with compliance with current exchange control regulations. In other cases, particularly in the establishment of new enterprises, the project must satisfy not only exchange control regulations but also the general test of economic usefulness. This economic

³ For a general review of government measures affecting both export and import of private capital, see United Nations, "International Flow of Private Capital, 1953-1955" (E/2901, 21 June 1956; mimeographed). The appendix to the report contains a number of short surveys of individual countries. See also an earlier United Nations report, *International Flow of Private Capital, 1946-1952* (sales number: 1954.II.D.1).

usefulness is not very clearly defined, but seems to be generally judged by the capacity of the project to contribute to the country's economic development, earn or save foreign exchange, fit into its development plan—in short, by more or less the same considerations that have been listed before as bearing on the necessity for controls.

Exchange control approval and registration is partly in the interest of the investor himself. It enables him to claim exchange facilities for income and capital transfers later.

Regarding entry, some governments list particular fields where foreign investment is especially welcomed. For instance, the Burmese Government appended to its policy statement a list of such industries. Similarly, projects for which foreign capital is considered suitable are specified by Afghanistan, Nepal and Thailand in their policy statements. The Pakistan statement mentions twenty-seven industries where repatriation facilities are guaranteed. In Japan, the desired types of investment in kind ("technological assistance contracts" for transfers of patent rights, etc.) are announced quarterly.

In most countries there are industrial fields in which foreign activity is not allowed, or is only allowed subject to special conditions. These fields vary from country to country; they generally include defence industries, public utilities, exploitation of mineral and other natural resources (Burma, Japan), trade (Afghanistan, Ceylon, India, Philippines), banking (Japan) and small industries (Indonesia). In general, authorization formalities are easier in United Kingdom colonial territories than elsewhere, being virtually based on sterling area exchange control practice.

Operation

Policies and measures affecting operation of foreign enterprises fall into three main groups: (1) those that deal with taxation, (2) those that deal with repatriation of income and capital (exchange control), and (3) those that deal with other aspects, such as division of investment between the State and the private sector, reservation of parts of the private sector for nationals, purchase of land, etc., and financial and other aids. Exchange control and taxation warrant special treatment; the third group is discussed here.

Size of the private sector

Policy regarding the division of investment between the public and the private sector differs widely in the countries of the region. In some (Burma, India and Indonesia) the public sector is large and progressively expanding. In India particularly, there has been substantial growth recently, conspicuous examples being the nationalization of life insurance and an important part of commercial banking. The new Industrial Policy Resolution of April 1956 redefines the boundary between public and private sectors, widening the public sector considerably. Certain other governments have also issued statements clarifying the scope of the two sectors. Other things remaining the same, where the general area of the private sector shrinks, the area of foreign investment also automatically tends to shrink.

On the other hand, in Afghanistan, Ceylon, China: Taiwan and southern Korea, there has been an opposite shift from the public to the private sector. The Governments of the Republic of China and the Republic of Korea plan to hand over to private industry some of their existing large public enterprises. Denationalization of some of the State industrial projects was also the declared policy of the Ceylon Government which went out of power in April 1956. The new government's intention appears to be to halt, if not to reverse, that policy. Most countries of the region are, however, still mainly private enterprise economies, or rather mixed economies with greater accent on private than on government enterprise.

Policy regarding nationalization

Most countries have also indicated their policies regarding nationalization of existing private industries. Fear of sudden nationalization affects materially the efficiency and growth of private investment. Most countries have announced that it is not their intention to nationalize existing private enterprises, although new enterprises may be government-owned. With regard to foreign capital, guarantees against nationalization have been given either by special legislation or by policy statements of the Governments of Burma, Cambodia, the Republic of China, the Republic of Korea and Thailand. A recent pronouncement by the Malayan Minister of Commerce states that the Government of the Federation of Malaya will not nationalize foreign-owned enterprises. Most of the guarantees given are, however, for a specified period (Burma, not fewer than ten years; Cambodia, ten to twenty years; the Republic of China, ten years; the Republic of Korea, fifteen years). In December 1955, the Government of Indonesia announced that private foreign enterprises in social and public utilities would not be nationalized except on agreement with the owners.

In the event of nationalization or expropriation (in certain countries, after the expiration of the period covered by the guarantee), the payment of fair and equitable compensation has been assured by many governments (for example Burma, Cambodia, the Republic of China, Pakistan and the Philippines). On the other hand, the Constitutional Amendment of April 1955 in India stipulates that adequacy of compensation will not be subject to judicial review. Remittance of proceeds from properties in the event of nationalization has been specifically assured by the Governments of the Republic of China, Japan and Pakistan.

Reservation of the private sector for nationals

Within the sphere allowed to private enterprise, most countries reserve certain areas, usually trade and internal transport, for domestic as against foreign capital. In Ceylon, trade with certain countries is exclusively reserved for nationals. Reservation is, however, more commonly accomplished by prescribing a share in ownership and control for nationals in all or certain industries, rather than by reserving any industries completely. India, for instance, has announced that, as a rule, majority interest in ownership and control in all enterprises should be in Indian hands, although exceptions will be allowed in special cases. In Cambodia, the Foreign Investment Law

of 1956 provides that at least 50 per cent of the registered capital in any enterprise must be owned by the Cambodian Government or nationals. In Nepal also, there is a similar principle of majority ownership and control by Nepalese nationals.

In some other countries there is no general restriction on the proportion of ownership by foreign capital but there are limitations in specific industries. For example, in Burma the maximum foreign capital permitted in public utilities and in the exploitation or development of mineral and other natural resources is 40 per cent. Similar limitations exist in Indonesia (51 per cent ownership by Indonesians for basic industries), Pakistan (40 per cent by Pakistan nationals for certain specified industries and 30 per cent for certain other industries) and the Philippines (60 to 75 per cent ownership or control by Philippine citizens for banking, exploitation or development of natural resources, air and land transport and coastal shipping). In the Republic of China, the company law and other laws provide for specified minimum shares of a company to be held by Chinese nationals, but investment pursuant to the Statute for Investment by Foreign Nationals is exempted from these restrictions, subject to special approval by the Executive Yuan. No restrictions on ownership and control by foreign nationals are provided for in the legislation of Afghanistan, Ceylon, Hong Kong, Japan, the Republic of Korea, Laos, Malaya and British Borneo, Thailand and the Republic of Viet-Nam.

There are regulations in some countries concerning the nationality of directors and managers, and the employment of foreign experts and technicians. In Nepal, the chairman of the board of directors and at least 50 per cent of the members of the board, as well as the occupants of at least 50 per cent of the posts in the administrative and managerial services, are required to be nationals. In Cambodia, a provision for minimum compulsory employment of 50 per cent Cambodian staff is included in a draft bill for investment of foreign capital. In Indonesia, employment of foreigners is subject to certain regulations. In Afghanistan, there is no minimum requirement, but foreign investors are required to employ and train Afghan workers and technicians so far as possible.

In a few other countries there are restrictions on the nationality of directors, managers and employees in specific fields of industrial activity. In Pakistan, such restrictions are applied to foreign trade, petroleum and mining. In the Philippines, banking, transport, coast-wise shipping and air transport are subject to such restrictions. The Mining Law, the Merchant Marine Law and the Civil Aviation Law of the Republic of China provide for minimum proportions of Chinese nationals; however, the foreign investor is not subject to these restrictions when special approval is granted by the Executive Yuan.

Most countries attach great importance to the employment and training of nationals, even though they have no specific laws on the subject. Immigration regulations are used in some countries to promote employment of nationals, allowing residence permits to foreign personnel for limited periods of time and renewing them only on proved necessity.

Most countries as a rule prohibit the alienation of land to foreign owners, but exceptions are made in selected cases. Leaseholds are, however, freely allowed. There are usually no restrictions on the acquisition of other types of asset. The statement of the Government of Ceylon on foreign investment expressly states that there will be no discrimination between foreign and local concerns under any system of rationing or control in respect of raw materials, labour and so on.

Financial and other aids

An important recent development in the countries of the region has been the progressive improvement and extension of basic facilities in the form of transport, power, financial institutions and research organizations. This is improving the general climate for private investment. Most of the benefits are enjoyed without distinction by domestic, foreign and domestic-foreign enterprises, though in the case of financial facilities, permission from the authorities in charge of exchange control or capital issue may be required by wholly foreign concerns for raising long-term finance within the country.

Special mention may be made of the establishment of new financial institutions. Over-all shortage of private capital, lack of an organized capital market, and bias in the existing credit structure towards financing short-term commercial activity have been major obstacles to the development of private enterprise in most countries of the region. To meet these deficiencies, special financial institutions have been established, having as their major purpose the supplying of investment funds from government and other sources to private industries. Such institutions engage largely in making long-term and medium-term loans, in some cases also promoting new enterprises by holding shares of companies and by providing technical assistance, and in others participating in the management of enterprises. They include the following: in Afghanistan, the Agriculture and Cottage Industry Bank (1954); in Cambodia, the Office of Popular Credit; in Ceylon, the Development Finance Corporation (1955); in India, the National Industrial Development Corporation (September 1954) and the Industrial Credit and Investment Corporation (January 1955); in Indonesia, the Bank Industri Negara (1951); in Japan, the Japan Development Bank (1951); in southern Korea, the Korea Reconstruction Bank (1954); in Pakistan, the Pakistan Industrial Development Corporation (1952) and a proposal for the establishment of an Industrial Bank (1955); and in southern Viet-Nam, the National Investment Fund (1955) and the Agricultural Credit Institute (1955).

Financial aid is given in many countries for rehabilitation and expansion of certain industries. One example is the rubber and coconut rehabilitation project in Ceylon. An important related form of aid which is on the increase is that furnished by protective tariffs and special tax incentives. These are mentioned in the section on taxation.

Controls on repatriation of income and capital

Broadly, the position in this respect in the region is that income transfers—transfers of interest, dividends, royalties, wages and salaries, etc., after taxation—are

rather freely allowed, while capital transfers are subject to fairly strict control. Some governments (Cambodia and the Republic of Korea) limit the maximum annual income transfer to specified percentages of the capital invested. Reasonable annual remittances are allowed out of service income—wages and salaries—for maintenance of dependents abroad. On retirement, transfers of accumulated savings are also freely allowed. Regarding capital transfers, loan repayments according to contract are freely permitted. The repatriation of equity and direct investment is allowed on the sale or liquidation of business. This transfer is allowed immediately in sterling area countries, but spread out in annual instalments in most non-sterling countries. Capital appreciation is expressly declared to be eligible for repatriation in some countries, but most countries do not clearly define the position in this respect. The right to repatriate (immediately or over a period of time) capital whose entry has previously been approved and registered is accepted, but all other investments must seek special permission. A distinction is made in some countries between capital invested before a certain date and capital invested after that time.

In general, transfer facilities are easier in sterling area countries (Burma, Ceylon, Hong Kong, India, Malaya and British Borneo, and Pakistan) than in other countries. In the sterling area countries, there are normally no limitations on remittance of profits and dividends by non-residents. Repatriation of capital by non-residents on sale or liquidation of business is freely permitted to other sterling area countries, but repatriation to non-sterling area countries is usually subject to control. There has been, however, some relaxation of this control since 1950. For instance, in Ceylon and India, investments in approved projects made by residents of non-sterling area countries after 1 January 1950 have been declared eligible for repatriation at any time. In Pakistan, capital invested after 1 September 1954 in specified industries approved by the Government may be repatriated at any time. In Hong Kong, repatriation of capital to the non-sterling area is subject to approval by the exchange control authority. In Burma, the Government allows the repatriation of investment over a reasonable period.

In non-sterling countries, exchange control regulations on transfer of income and repatriation of capital are rather complex and divergent. In most of these countries, there are no special restrictions on remittance of dividends, profits and other income from investment. Such remittance is subject to whatever exchange control regulations are in force at the time. In Japan, remittance of dividends and other income from investment approved and registered by the Government under the provisions of the Foreign Investment Law is guaranteed by the Government without any limitations. In Cambodia, the remittance of profits is limited to 8 per cent annually on the invested capital. An annual limitation equal to 15 per cent of the total investment is stipulated in the Statute for Investment by Foreign Nationals of the Republic of China, and the draft Foreign Capital Induction Bill of the Republic of Korea proposes an annual limitation equal to 30 per cent of the total investment. In the Philippines, there are differences in provisions for remittance of earnings from new investment (that is, invested after 9 December 1949, when exchange control

was introduced) and those from old investment. A formula is used for deciding the maximum amount to be remitted for earnings on old investment, while in the case of new investment the amount is to be agreed upon at the time of screening for entry. In Indonesia, the transfer abroad of dividends and profits from old investment (prior to 1953) has been subject to special regulations since 1954. For example, the regulations announced in July 1955 placed no restrictions on the transfer of dividends and operating profits earned in 1953, but the transfer of those earned in 1954 was limited to a certain amount—dividends to 30 per cent of the paid-up capital of the companies, profits to 60 per cent of the net profits after tax. In addition, transfers of profits from old investment are subject to an exchange transfer tax of 66 2/3 per cent.

Regarding repatriation of capital also, the situation varies. In the majority of countries there are no specific regulations limiting capital repatriation. However, according to the regulations of the Republic of China, repatriation is limited annually to 15 per cent of the total investment commencing two years after the investment is made. In Japan and in a current proposal for the Republic of Korea, repatriation is limited annually to 20 per cent of the capital, after two years. In Cambodia the limitation is more strict, being 6 per cent of the capital annually, as from the fourth year of the investment.⁴ In Indonesia, transfer of capital has been suspended since 1 January 1954; however, the latest policy announcement indicates that such transfer will be permitted in the future. In the Philippines, transfer is not allowed for old investment, but for new investment it is allowed in accordance with the amortization schedule of the enterprise in question.

Most countries, as already noted, do not make any special provision about the transfer of capital gains. In India, Japan and Pakistan, however, capital appreciation is expressly permitted for repatriation.

In addition to exchange control provisions, the Governments of the Republic of China, Japan, Pakistan, the Philippines and Thailand have also concluded agreements with the United States under which the transfer of revenue and capital of investments by United States nationals in these countries is guaranteed. The agreements were made in 1954 and 1955.

Taxation

Tax questions that are of special importance to foreign investors in practice are the taxation of income of foreign (non-resident) individuals and corporations, taxation of dividends (including inter-corporate dividends), double taxation relief arrangements, and tax incentives and concessions, if any, given for investment.⁵

⁴ For capital withdrawn on account of liquidation or transfer of the enterprise, 20 per cent minimum annually (Foreign Investment Law, 1956).

⁵ See also United Nations, "Taxation in Capital-Exporting and Capital-Importing Countries of Foreign Private Investment" (E/2865 and addenda, 23 May 1956; mimeographed). The report reviews national and international measures taken against double taxation of income from foreign investment.

Regarding tax jurisdiction, the system generally prevailing in the region is to tax resident individuals and entities on their global income, regardless of place of origin, and non-resident individuals and entities only on their local income (income originating or received in the country) though it may be, as in India and Pakistan, at rates appropriate to their global incomes. In certain countries, such as India and Pakistan, however, non-resident corporations which derive more than half of their income from the country are taxed on their global income. Both individuals and corporations are taxed, but double taxation of the income distributed by a corporation is generally avoided, at least in part, by giving the shareholder credit for the tax paid on the income by the corporation. A conspicuous exception is Thailand, where no credit at all is given. Even in the case of other countries, the credit given is seldom full. For instance, in Ceylon credit is given for the income tax, but not for the profit tax paid by the corporation; in India and Pakistan, it is given for the income tax but not for the supertax. Dividends going to non-resident shareholders (corporate and non-corporate) are in some countries (India, Japan and Pakistan) separately taxed and the tax is withheld at the source, while in others (Ceylon) they are not separately taxed. The tax rates on individuals are progressive in various degrees, but the tax rates on corporations are in most instances proportional, noteworthy exceptions being those of the Republic of China, Indonesia, the Philippines and Thailand. In India and Pakistan, a form of graduation based on the dividend rate has recently been introduced.

There appears generally to be no discrimination in the over-all tax treatment of residents and non-residents. Non-resident individuals are, however, usually denied personal allowances and are also taxed at higher rates, because their global income, on the basis of which their tax bracket can be determined, is not known. Non-resident corporations are in some countries (Thailand) taxed at precisely the same rates as resident corporations. Where (as in Ceylon) non-resident rates are higher, the difference is meant to offset the immunity which foreign shareholders of non-resident companies enjoy from certain types of domestic tax liability, for instance, estate duties.

Tax incentives

There is a wide range of concessions which selected investments enjoy in the countries of the region. The concessions have expanded considerably in recent years. They are generally non-discriminatory and applicable equally to foreign and domestically owned investments. The concessions have tended to provide new incentives for the flow of private foreign investment into the region and have offset, to some extent, the growth of controls in other respects.

The concessions have taken many forms. One grants exemption or reduction from income and other taxes to "new and necessary industries". The exemption from income tax is generally given for a limited period (six years in Ceylon) and up to a certain rate of return on the investment (up to 6 per cent in Burma and India and 5 per cent in Ceylon and Pakistan, government-sponsored mixed corporations in Ceylon, however, being free from this limitation).

In some cases, the concession is limited to industries using power or employing a minimum number of workers (twenty-five persons in Ceylon); in others, it is limited to certain types of project. Dividends paid out of these exempt profits are also generally exempt. In addition, India exempts inter-corporate dividends from non-exempt enterprises in basic industries, while Pakistan grants relief to individuals for amounts invested in shares of approved corporations. Exemptions from other taxes may include exemptions from sales taxes, land taxes and customs duties. Tariff concessions apply generally to the importation of equipment and materials; in most countries they are general and not confined to selected industries.

Another important form which the concessions have taken is the liberalization of depreciation allowances. This is generally done by granting a high annual depreciation rate or granting an initial allowance, which is deducted in the year of acquisition of the asset, while the remainder of the cost is depreciated at the normal rate. Such concessions are usually allowed (for instance, in Ceylon, India, Japan, Federation of Malaya, Pakistan and Singapore) for specified classes of buildings, machinery and equipment. In addition to full depreciation of total costs, some countries—for instance, India—also give special allowance for new investment in capital goods. Under these investment allowances or development rebates, part of the cost of new fixed assets is deducted from taxable income in the year in which they are acquired.

To promote ploughing back of profits, many countries of the region give tax rebates on undistributed profits. India abolished the rebate in 1956, but at the same time penalized high-level distribution of profits by graduating the corporate income tax according to the size of the dividend.

A few countries (India, Japan and Pakistan) give special income tax concessions to foreign technicians.

Double taxation relief

Taxation of the same income by the country where it originates and also by the investor's home country may be an important obstacle to foreign investment. Relief from such double taxation may be given unilaterally by the capital-exporting or the capital-importing country, or through bilateral agreements. Such agreements either divide the field of taxation between the two countries or provide for tax credits on doubly taxed incomes. So far, only a few bilateral agreements have been concluded by the countries of the region, but the number is increasing. The more important recent agreements are those between Japan and the United States in 1954, Indonesia and the Netherlands in 1954 and Pakistan and the United Kingdom in 1955.⁶ In general, the agreements so far concluded relate to income and profit taxes; they provide that non-resident enterprises shall be taxed only in respect of income arising in the country, and tax credits shall

⁶ United Nations, *International Tax Agreements* (sales numbers 1948.XVI.2, 1951.XVI.1, 1951.XVI.5, 1954.XVI.1, 1954.XVI.3 and 1956.XVI.1), vol.I-VI.

be given to residents for income taxed in the other country.⁷ A few agreements are in process of negotiation.

The paucity of bilateral agreements does not mean, however, that double taxation is serious or widespread. Actually, most countries of the region provide for relief against it unilaterally, in various degrees, in their own tax laws. Relief is also often available in the investor's home country. For instance, Canada, the United Kingdom and the United States grant tax credits to their residents on income taxed in foreign countries.

Apart from bilateral tax agreements, general bilateral treaties to promote trade and investment have been concluded in recent years by some governments. The treaties generally provide for liberal reciprocal treatment (the so-called "national treatment") of foreign investors in each contracting country, assurances regarding income and capital transfers, and fair and non-discriminatory treatment of foreign investments in the event of nationalization. Bilateral treaties of this nature have been made with the United States by the Republic of China and Japan, and with France by Laos.

Certain other treaties may also be mentioned in this connexion. The United States-Philippines Trade Agreement of 1946, generally known as the Bell Trade Act, was revised in 1955. In addition, the Governments of the Republic of China, Japan, Pakistan, the Philippines and Thailand have recently concluded agreements with

⁷ Resolution 486 B (XVI) of the United Nations Economic and Social Council recommended that highly developed countries "give special consideration to the feasibility of taking action to ensure that such income is taxable only or primarily in the country in which the income was produced".

the United States to permit the guarantee⁸ of investments by United States nationals, pursuant to the provisions of section III (b) (3) of the Economic Co-operation Act of 1948, as amended. The reparation agreement between Burma and Japan (1954) provides for investment by the latter in joint Burmese-Japanese enterprises.

CONCLUSION

The net position that the mosaic of laws and policies reveals in any individual country, or in the region as a whole, is not easy to describe. But in general it may be said that foreign capital is still warmly welcome in every country, although the new policy is to channel it into selected fields under prescribed conditions, for the purpose of advancing and safeguarding the economic interest of the country. This is naturally the policy, for example, in countries where, following attainment of independence, attention has turned to framing national plans to promote economic development.

There is no doubt that in certain respects new regulations that have grown up since 1950 have made investment in the region less attractive to foreign investors than before. For example, the fields in which it can operate have been somewhat curtailed on the whole, the degree of required participation of local capital, management and labour has been increased in several countries, and repatriation of income and capital has in some cases been made less free. But at the same time in certain other respects the attractions have increased. The laws are now better defined, double taxation relief is expanding, and government assistance to private investment in general is larger and growing.

⁸ Guarantees are available against two types of non-business risk: (a) inability to convert foreign currencies into dollars, and (b) loss of capital through expropriation.

TRADE POLICY AS A MEANS OF IMPLEMENTING OR PROMOTING ECONOMIC DEVELOPMENT, WITH SPECIAL REFERENCE TO ECAFE COUNTRIES¹

In most countries of the ECAFE region, the main objective of economic policy is the economic development of the country which aims primarily at a diversification of the economic activities of the country through industrialization. In view of the urgent need to implement economic development to raise the general standard of living of that region, it is not surprising that all other aspects of economic policy, including trade policy, should be framed in the light of that paramount objective. Trade policy can assist in promoting economic development if its objectives and methods of operation are defined in close relation to the objectives of economic development. Trade policy may even be considered as an integral part of any rational policy for economic development and not, as it is sometimes felt, as a policy which is governed by principles inconsistent with the objectives of such development. The purpose of this paper is to examine how, in practice, trade policy may contribute actively to the implementation or promotion of economic development. Trade policy will be considered in its broadest terms as the sum total of measures which governments may take in order to influence the flow of imports and exports. These measures may determine the volume or value of total imports or of certain classes of imported or exported goods, the price at which exported goods are sold on foreign markets or at which imported goods are sold on domestic markets, or the direction of import or export trade. The principal methods which governments may use are, on the import side, the imposition of quantitative import restrictions, the levy of customs duties or similar charges, or the collection of other charges (exchange or otherwise) which may increase the cost to the domestic consumer of imported goods or limit the demand for such goods; on the export side, the government may impose quantitative restrictions, levy customs duties or similar charges, or grant subsidies or other export incentives. Trade policy also includes the conclusion of bilateral or multilateral agreements or arrangements with other governments concerning facilities granted to trade. Finally, trade policy comprises the assistance which governmental or official bodies may give in the marketing of goods abroad or the supply of foreign goods.

Trade policy may affect in many ways the implementation of economic development programmes; it seems, however, that its contribution is particularly welcome in so far as it enables the country: (a) to maximize the foreign exchange earnings derived from exports; (b) to allocate the foreign exchange available

in the best interests of economic development; (c) to obtain the greatest possible supply of each category of goods for the amount of foreign exchange allocated to that category; (d) to secure a reasonable protection to the industries set up within the framework of development, while safeguarding the interests of the community; and (e) to neutralize excessive inflationary pressures.

Trade policy as a means of maximizing the foreign exchange earnings derived from exports

The studies prepared by the Regional Commissions of the United Nations with respect to the planning of economic development have shown clearly that any economic development programme involves a substantial expenditure in foreign exchange. The amount of foreign exchange expenditure needed as compared with the total outlay may vary from country to country and from project to project, but experience and analysis suggest that, on an average, one-third or more of the total expenditure has to be spent in foreign currencies. The adoption of any large project presupposes therefore an addition to current exchange earnings. In most countries where the monetary reserves are not large enough to meet such additional demands, the import programmes have been pruned so drastically that there is very little scope for further reductions; and the implementation of the development project will not usually yield appreciable exchange savings at the beginning. Additional income in foreign exchange has to be found, either through additional exports or through loans and commercial credits. Unless financial assistance takes the form of outright grants, the repayment of loans or commercial credits will oblige the recipient country to increase its exports in the following years, so that the financing of economic development programmes will generally require a determined effort to obtain additional current income in foreign exchange, either immediately, or in the very near future. In present circumstances, this means that the developing country will have to increase its exports abroad.

In order to meet this essential requirement, the departments responsible for trade policy will try to influence the flow of exports in such a way as to produce such additional income as and when it is required to service the loans or repay the commercial credits used for the financing of economic development projects. The planning of such an export programme would normally take place before the programme or project is finally approved. It requires an assessment of the trends on the world markets for the products which may be exported, and an assessment of the capacity of those markets to absorb an increased supply and of the probable effects on world prices of such an export drive. This assessment

¹ Prepared by the GATT Secretariat and submitted to the second meeting of the ECAFE Working Party on Economic Development and Planning held in Bangkok from 17 to 29 September 1956. (DPWP. 2/8, 24 August 1956).

will enable the government to choose among the products coming into consideration, those which are likely to bring the best results, either because the demand is comparatively elastic or because the price trends are favourable. The government would then devise appropriate measures to promote an increased production of the goods thus selected if they are already exported, or to initiate production, if they are not yet exported.

In present circumstances, and for some time to come, it may be assumed that the export programme will concentrate on a number of primary products, either raw materials for industrial processing, or agricultural products for consumption. The world markets for such products are generally characterized by a low elasticity of demand in the short run, and, as regards agricultural products, by the existence of severe import obstacles in the consuming countries and export incentives in the producing countries. A closer analysis of the situation of the various markets shows, however, that certain products have been far less affected than others by such adverse factors and that this situation is likely to remain in the future. One of the objects of trade policy would therefore be to give priority, as far as practicable, to those products which appear to meet less competition and to face less formidable trade barriers. In particular, when the country depends on the export of a small number of primary products, it should avoid excessive reliance on the products whose market is particularly vulnerable, since any over-optimistic assessment of the prospects of such a product would jeopardize the implementation of economic development projects. Experience has shown that such miscalculations are not always avoided and it may be that the encouragement given by Uruguay to the production of wheat at the expense of meat has contributed to financial difficulties facing that country at present and that the reliance of Turkey on a substantial increase in its exports of wheat and cotton as a main source of additional foreign exchange, has adversely affected the prospect of achieving economic development without excessive delay or cost. Other countries have been able to lay a particular emphasis in their export programmes on commodities such as iron ore, non-ferrous metals or oil, whose market has been more resistant and the implementation of their development programmes has been smooth and economical.

Another point which the departments responsible for trade policy may have to consider is whether it would be in the interest of economic development to encourage the processing of the primary products before they are exported. It is clear that, other things being equal, the value added by processing would increase the foreign exchange earnings derived from the export of a given quantity of raw materials. However, the substitution of processed products for raw materials is limited by two factors. First of all, it should not involve the exporting country in foreign exchange outlays for the setting up and the maintenance of the new industry exceeding the additional exchange income expected from the export of the processed product. Secondly, the substitution should not react adversely on the export possibilities of that part of the raw material which continues to be exported without processing.

As in the case of the granting of protection in favour of a new industry supplying the domestic market, the

promotion of an industry processing a raw material for export should be considered in the light of its exchange earning or saving capacity. If the setting up of the processing industry involves, on balance, substantial outlays in foreign exchange, it may not be profitable to promote an industry which may, in effect, reduce the available supply of foreign exchange for a number of years. It may also be that, in order to penetrate export markets, this new industry would have to be subsidized in order to enable it to reduce its export price in terms of foreign currencies. If the raw material has a good market, the subsidization of the processed product may involve a net loss in foreign exchange. This may not be apparent when, as is sometimes the case, the subsidy is granted in the form of a privileged exchange rate.

The substitution of a processed product for the raw material may embarrass the foreign producers of that product, who were accustomed to buy their raw material from the country engaging in such substitution; they may be less willing to buy their raw material in the country which has become their competitor and this factor may adversely affect the export possibilities for the raw material which continues to be sold in a crude form, especially when the market conditions are not particularly favourable to exports. What is perhaps more important is the fact that the capacity of absorption of world markets for the processed product may be less than for the raw material. When the processing is limited to the first stages and the material is exported in the form of a semi-manufactured product, the danger may not be very great. But when the intention is to go beyond that point and to export what may be considered as a finished product, the risks of substitution may be more real. There have been cases in which the exporting country enjoyed a more or less complete monopoly of the supply of the raw material and was in a position to reduce the supply of the material in its crude form and to oblige the foreign customers to buy the processed product instead. It may be said that this is what happened in the case of jute. But when the raw material is in abundant supply, this substitution would not be very successful. As a general proposition, the United States, for instance, would be better off if it could transform its surplus of cotton into piece-goods and sell it on world markets. But in present circumstances, such a policy, if it were adopted, would not be beneficial to the United States since that country would not be in a position to increase substantially its sales of cotton piece-goods and would lose the earnings derived from the sale of its raw cotton.

Another way of maximizing the earnings derived from the export of a primary product is to improve the quality and grading of the products exported. Sometimes, the exporting country does not receive the full benefit of these exports because the material has to be sent abroad to a central point where it is graded, blended, packed or otherwise prepared for sale to the consumer. The use of such a central market arrangement may be the most economical system in certain cases, but very often, the location of these marketing operations in the exporting country would be feasible and would bring additional exchange income to that country without affecting the disposal of the exported goods or impairing the competitiveness of the exporter. In those cases, the assistance which governments might give to their pro-

ducers in order to improve the grading and presentation of their goods for export may result in a substantial increase in the foreign exchange earnings which they may earmark for the financing of their development projects.

The main task, however, of the departments responsible for trade policy is to minimize the obstacles which the marketing of exports encounters in the importing countries. The first consideration will of course be to secure equality of treatment in those markets. Experience has shown that the best protection lies in the extension of unconditional most-favoured-nation treatment and the benefits of non-discrimination. It may be tempting to contemplate the conclusion of agreements designed to obtain certain privileges for one's exports. Such agreements may give a temporary stimulus to such exports but the advantages which may thus be obtained have to be tested against the long-run disadvantages which may result from them. As this point will be considered again below, it may be sufficient to indicate that the main disadvantages of such agreements lie in the price to be paid in the form of import privileges for the partner's goods, in the distortion in the normal channels of trade and in the incentive the conclusion of the said agreements gives to other exporting countries to secure similar privileges from their partners.

The desire to eliminate import barriers leads to an active effort to obtain from the importing countries a reduction in their import duties in so far as they affect the staple products of the exporting country and a guarantee that these duties will not be raised in the near future. As a general rule, industrial countries do not levy duties on raw materials for their industry, but frequently levy high duties on agricultural products, even when those products are further processed by their industries. The existence of such duties may result in a reduction either of the volume of exports or of the earnings derived from such exports. In order to obtain a reduction of those duties in the importing country, it is generally necessary for the exporting country to accept commitments regarding its own import policy.

Another factor which affects the market of raw materials is the recent increase in the production of substitutes, i.e. of "manufactured" raw materials such as synthetic rubber, artificial fibres and synthetic detergents. As a protection against excessive competition from these substitutes, it will be of interest for the exporters of natural raw materials to obtain from the consuming countries guarantees that competition with these substitutes will not be altered by the adoption of tariff or other trade measures in favour of these substitutes. The producers of nitrate in Chile found that the policy followed by their government in seeking such a protection against synthetic fertilizers was particularly effective. Such guarantees, however, may not be sufficient to ward off the competition of substitutes and, as outlined below, the relative price of the natural and synthetic products plays an important part in this respect.

Another obstacle which has become often more intractable than tariffs is the resort to quantitative import restrictions as well as the discriminatory application of such restrictions. This obstacle seems to be less serious now than during the immediate post-war period for the trade in primary products, but there are still a number

of cases where, in order to maintain a market for its exports, the country exporting primary products is obliged to grant privileged import facilities to the export trade of its partners. It is clear that the maintenance of import restrictions of that kind may seriously affect the earning capacity of a primary producing country and that any assistance which that country may find in international organizations for the elimination of those restrictions would facilitate its export and improve its exchange earnings.

Although bilateral agreements such as those referred to above, i.e. list agreements, providing for "single-country quotas", tend gradually to disappear, another form of arrangement has become popular in recent years. These might be called long-term barter agreements, since the main feature of these agreements is that one partner offers to sell, for instance, capital goods to be paid over a number of years through the supply of agreed quantities of specific products, mainly primary products. Usually, the exchange of goods is balanced and no cash payment is involved; in order to achieve such a balance, however, it is necessary either to fix the prices of the goods supplied or to establish a ratio between the prices of the goods sold by each partner. Such agreements have the advantage of enabling the exporter of the primary products to assess in advance and with a certain degree of accuracy the foreign exchange earnings which it will derive from the export of a certain quantity of goods and the corresponding imports which it will be in a position to purchase without any net outlay in foreign exchange. When such arrangements are considered, however, their possible disadvantages should not be overlooked. Any long-term arrangement which has the effect of tying a substantial part of the export surpluses of a staple product to a particular market has the disadvantage of obliging exporting countries to leave the field open to competitors on world markets and if the arrangement is not renewed when it comes to an end, the exporting country may find that, having lost its former connexions, it meets difficulties when it tries to regain its former position on those markets. Moreover, it is likely that the price to be paid for the attractive features of such arrangement may be greater than the advantages which would be gained in effect if the exporting country had remained free to take advantage of the conditions on world markets. An important point which should be taken into consideration is whether such arrangements represent a net addition to the total earnings derived from the sale of the products in question or whether they lead merely to a shift from one destination to another.

It would seem that the decision to be taken concerning the method of disposing of export products, or the choice to be made as between sales on world markets, or sales by means of bilateral list agreements, or long-term barter agreements will largely depend on conditions prevailing on world markets. It is to the advantage of a country exporting primary products as of any other country to purchase its imports in the cheapest market, and therefore to sell its exports in a currency which may be used for payments on a wide range of markets, and, unless conditions on the world market of its export products are abnormal, there would seem to be little gain in resorting to bilateral bargaining as a means of husbanding its foreign exchange resources.

It may be said, however, that bilateral bargaining has a distinct advantage over the other methods in so far as it guarantees a fairly stable price for the sale of primary products during a period of years. The violent fluctuations which have affected the prices of a number of primary products during and after the Korean boom have underlined the difficulties which instability in the prices of primary products may cause to countries which rely on the export of such products. There is little doubt that such fluctuations are detrimental to economic development. The primary producing countries have therefore been anxious to protect their economy against such fluctuations. It is clear that the task of a country engaged in a process of economic development would be greatly facilitated if it could expect that the prices of its export products would remain remunerative and comparatively stable. The emphasis lies on the stability of prices rather than on the particular level around which those prices would fluctuate moderately. Among other factors which have to be considered when assessing what should be the optimum price level for a given natural raw material, the existence of competition from a substitute material is of particular significance. The maintenance of the prices of natural raw material at levels which would, in the long run, adversely affect the marketing possibilities of those products would clearly be at the expense of the economic development programmes of exporting countries. The price instability of natural raw materials and their relatively high price level as compared with the prices of substitutes has been instrumental in reducing the requirements for imports from primary producing regions. If prices of natural raw materials were to be maintained at a level encouraging substitution, there would be a serious danger for these regions. It may be useful to quote in this connexion the following passage from *International Trade, 1955*: "If, as may be expected, the production of manufactured substitutes continues to grow at the expense of natural products as in recent years, the advantages reaped by the non-industrial areas from the improved terms of trade they have been enjoying as compared with pre-war may vanish rapidly and the export proceeds of these areas may even diminish in absolute terms."²²

In view of the situation which has developed on the market of a number of primary products, it would seem that one of the main objectives of trade policy should be to influence export prices in such a way as to limit the risks of substitution. This may be achieved by various means. When, as is often the case, the exporting country levies an export duty, or restricts in any other way the export of a product, that government would have to follow closely the trend in the markets in order to adjust the export duty or the incidence of its restrictive measures so as to maximize the earnings derived from the export without jeopardizing the prospects of future disposal.

Although, for the time being, the export programmes of the governments in the ECAFE region have to rely essentially on the disposal of primary products, it is to be expected that, as soon as the economic development projects come into operation, new industries will produce manufactured goods not only for the domestic market

but also for export. Indeed, it seems that in certain cases already, these new industries have found that they could produce efficiently only if they were in a position to export part of their production. It may be that in certain cases the export surplus results from the fact that the domestic demand for those products is still lagging behind the capacity of production and that, as soon as the general standard of living rises in the country, the apparent surplus will gradually be absorbed by the domestic market. In other cases, the industry, to operate in optimum conditions, requires a permanent export outlet.

The natural tendency of such producers of manufactured goods will be to sell in neighbouring countries, especially if the economic development of those countries is not far advanced. But it is possible that governments would be led to encourage the export of these goods to industrial countries in order to obtain additional foreign exchange to purchase capital goods in those countries. Past experience shows that it is more difficult to open up markets for manufactured goods than to expand existing markets for raw materials. The additional supply of manufactured goods on world markets will increase competition on the markets supplied by these industrial countries and these countries will try to ward off this increased competition.

Trade policy as a means of allocating available foreign exchange in the interests of development

On the assumption that the implementation of an economic development programme requires that imports should be limited to such a degree as to give priority to the goods required for such development, it may be useful to consider what criteria would have to be applied for the achievement of that purpose and what methods would have to be selected to obtain the desired result. There have been many cases in which the implementation of economic development programmes has been frustrated or made more difficult by a lack of coordination between the departments responsible for the allocation of resources and those which decide on the creation of new industries or the adoption of development projects. Often enough, new industries set up with the approval or the assistance of the government are not in a position to operate normally because they do not receive the necessary allocation of foreign exchange to purchase abroad necessary raw materials or intermediate products or spare parts. In those cases part of the valuable capital invested is lying idle or the cost of production is increased in such a way as to lead to a serious wastage of resources. In some cases, projects cannot be completed and machinery imported is dumped in the open without protection and buildings already started become rapidly a dead asset because the initial capital outlay has been made without ascertaining whether the necessary foreign exchange would be available for the completion of the project.

There is a natural tendency to underestimate the expenditure in foreign exchange which will be necessary for the operation and maintenance of new industries. In the same way as it is easier for a government to get budget appropriations for building offices than for maintaining these buildings when they are completed, it seems to be easier to include in a foreign exchange budget the

²² *International Trade, 1955*, page 14; published by the GATT secretariat.

amounts necessary for the purchase of capital equipment needed for the creation of an industry than the smaller amounts which are essential for its effective operation.

Another factor which is also important but which is usually taken into consideration is the effect of development on consumption: the setting up of a new industry in its initial stage often brings about an increase in the demand for consumer goods which cannot be entirely met by domestic supply. If the allocation of foreign exchange for the setting up of that industry is not supplemented by an allocation of exchange to meet the additional demand for the imports of those consumer goods, there is a serious danger of strengthening the inflationary pressures which are inherent in economic development and eventually of frustrating the objectives of such development. The departments responsible for import programming have an essential part to play in this respect and it would be useful if, before a decision is taken on any specific economic development project involving substantial outlays in foreign exchange, adjustments were made in the import programmes to provide for this additional demand for consumer goods. A close collaboration between those who are responsible for the planning of economic development and those responsible for import programming, i.e. for the provision of foreign exchange required for the implementation of these projects, should avoid the difficulties which have been mentioned above.

Once the targets for the allocation of foreign exchange are defined, there remains the question of the machinery best suited to achieve the desired result. In most countries at present the rationing of foreign exchange is effected through the maintenance of quantitative import restrictions. The government decides to allot a certain amount of foreign exchange for the various categories of goods, taking into account the relative priorities of these goods in relation to various objectives, more particularly to the requirements of economic development. This allocation of resources for a year or six months may take the form of a definite programme or foreign exchange budget, or may consist in guiding lines for the officials who will later on issue individual licences. The amount allotted to the various types of goods is then distributed among the importers in accordance with definite criteria, either by reference to the trade of the importer in a representative period, or by some other method. Such a system of allocation makes it necessary for the official authority to forecast, for each type or category of goods, the actual quantities which the country requires and will be allowed to import during the licensing period, and to decide who is going to import, for each product, the authorized quantities. In other words, the government is required to take decisions which normally should be taken by the individual consumers or importers.

Such system of allocation was introduced in order to meet balance-of-payments difficulties; so long as these difficulties could be considered as temporary ones, the system had many advantages. If, as it appears to be the case, those difficulties last for some time in countries which are embarking on long-term economic development programmes, it may be in order to consider whether this system is the most appropriate in the interest of such development. It is recognised that the system of

quantitative import restrictions has two main disadvantages. It imposes on the government the invidious task of determining in detail the requirements of the community for each particular product or group of products and to decide on the specific import channels which will have to be used. On the other hand, it creates a monopoly for those who receive import licences and, in so far as the consumer has to pay a fee to the importer as a result of the shrinking supply of imported goods, it diverts substantial financial resources which could be received by the government and earmarked for the financing of economic development.

Like all rationing systems, the quantitative restriction of imports deprives the government of the possibility of relying on the play of economic forces. It may even encourage importers and consumers to use to the full the import authorizations granted, and result in speculative imports and artificially enhanced consumption. To administer import controls in a fully efficient manner the licensing officers should have a perfect knowledge of the actual needs of all producers and the preferences of the consumers. On the other hand, the priority given in the import programmes of individuals and countries to capital goods has the effect of reducing the turn-over of the importing agencies which normally deal mainly with consumer goods. If, as is to be expected, this reduction becomes permanent, the system of allocating exchange to importers on the basis of a representative period leads to the maintenance of an excessive importing apparatus in relation to the turn-over and therefore to an excessive distributing cost. The very method of distribution of licences on the basis of past experience prevents the contraction of this apparatus which is essential if the cost of distribution is to be reduced to a normal level.

The maintenance for a comparatively long period of a rigid system of controls is bound to lead to serious distortions. The experience gained in Europe has shown that these distortions make it more difficult to return to a normal system of trading when the balance-of-payments difficulties disappear. The maintenance of import controls for any length of time affords an effective although incidental protection to the domestic producers of the goods whose import is restricted. In certain countries, the drastic restriction of the import of non-essential and luxury goods has led to a substantial diversion of available resources to the production of such goods in the importing country, to the detriment of more important projects.

In order to avoid these difficulties, a number of schemes have been suggested, or even adopted. In these schemes the goods whose import is authorized are classified in a small number of (i.e. four or five) categories and a graduated premium is levied in one form or another before or when the goods are imported. All the people concerned (not only the registered importers) are free to compete for the exchange available and to select in the category the goods which they want to import. With the adoption of these schemes, the intervention of the government is limited to the determination of the amount of foreign exchange which the community may use for the total imports or of the imports of the goods in each category. The premium in each category is fixed in accordance with

the degree of essentiality of the goods of the category. Usually, the governments keep the right to allocate exchange on an individual licensing basis for goods imported by official authorities or by industries owned by the State or sponsored by it. This system of allocation of exchange does not require the government to go beyond what is necessary for the protection of its balance of payments and channels to the treasury and no longer to the importers' purse the windfall profit which the possession of an import licence would enable the importer to make under the traditional system. The secondary features of the system may differ; for instance, the premiums may be fixed by the State once and for all, or may be revised from time to time; the categories of products may be defined for a long period or for shorter periods; the premiums may be fixed by the government or may be the result of free auctions. In certain cases, the system may be even simple; the imports of consumer goods may be restricted, but the importers may be obliged to get the exchange from a free market which is supplied partly by non-trade receipts (tourist traffic, capital imports, etc.), and partly by the proceeds of certain exports. The premium may be replaced in certain cases for some categories of goods by a system of graduated deposits to be repaid some time after the import is actually made. The common feature, however, of these systems is that the rationing of the imports is done through the price effect rather than by the official determination of the quantity to be imported.

It is too early to determine whether such new methods would assist the importing countries in making a better use of the available foreign exchange and in meeting the requirements of economic development. One of the reasons which make it difficult to pass judgment on these schemes is that they have often been applied in countries where the national currency was over-valued, and their adoption had mainly the object of getting around the psychological resistance to currency devaluation. Only in a few cases has the system been limited to the objective of improving the method of allocating exchange for imports. In such cases the administration of the scheme was comparatively simple, and it proved possible eventually to work the schedule of premiums into the customs tariff and then to dispense altogether with the system of allocation of foreign exchange. It should be pointed out, however, that the countries which were able to solve their problems in this way had only to face temporary balance-of-payments difficulties. In any case, there may be some advantage in reconsidering the actual methods applied for the operation of import controls. Such an examination might bring forth practical suggestions for adjusting these methods to the requirements of economic development and thus avoiding the distortions and other inconveniences which a prolonged maintenance of quantitative import controls may bring about in countries which are undergoing an active process of economic development.

Trade policy as a means of insuring the most economical use of available foreign exchange

As the implementation of economic development programmes increases the demand for imported goods and brings pressure to bear on the balance-of-payments, it is essential to see to it that the foreign exchange available is used as economically as possible; in other

words that each authorized purchase is made on the cheapest market. Trade policy has an important part to play in this respect. As a rule, there are better chances of achieving this result if the importer is given the possibility of choosing freely among the largest number of suppliers and of supplying markets; insofar as trade policy is able to maintain a multilateral pattern of import trade, there is reason to believe that the importer, in his own interest, will buy as economically as he can without needing any special direction from governmental authorities. It may however not be always possible to grant these facilities to the importers. So long as all currencies are not convertible, it may be necessary for the government to restrict the expenditure in hard currencies more than the expenditure in soft currencies. Moreover, the situation on the export markets of certain commodities is such that bilateral channels may have to be used for the disposal of part of these goods, and consequently the government may have to require importers to buy certain products in a specific country or a specific group of countries.

If the choice of suppliers is limited, it would be necessary to avoid, as far as possible, that such restraint of competition should lead to substantially higher import prices. In certain cases, governments of the ECAFE region have inserted in their bilateral agreements the clause which enables them to refuse the issue of "single country licences" if the prices quoted are higher than world market prices, in other cases, they have limited the operation of the single import licensing system to cases where their own export reached or exceeded a certain level. Whatever may be the methods used for limiting the price effects of bilateral arrangements, it is clear that these defects cannot be entirely eliminated. Even when separate licensing regulations apply to imports from hard and soft currency areas, governments usually agree that if important capital equipment or other essential goods are substantially more expensive if bought in soft-currency countries, preference would be given to suppliers from a hard-currency area. In such cases, the import licensing authorities have to decide whether it is preferable to spend less in a hard currency than more in a softer currency. It would seem generally in the interest of economic development to widen as much as possible the choice of the countries of supply, and to introduce or expand the system of open general licences covering a wide range of countries and to avoid resorting to single country licences except when required by the payments arrangements in force.

The administrative methods of implementing controls may also have a bearing on the actual cost in foreign exchange of imports in that they make it easier or more difficult for the importers to take advantage of any favourable trend in the world markets and to obtain from their suppliers the rebates which are normally granted for the purchase of substantial amounts. It would seem that in some cases the costs in foreign exchange of machinery or essential raw materials would have been appreciably reduced, had the licensing procedures been more flexible. If, for instance, an importer may obtain a licence covering its requirements for a comparatively long period, he may obtain better prices than if the licences are given in instalments for short periods, such as for one month at a time. If the licences are granted sufficiently in advance, the importer may

wait for better conditions on the market than if he is obliged to use immediately his authority to import. Needless to say, the cumulative effect of minor exchange wastage resulting from the rigidity of the licensing procedures may eventually frustrate the objectives of economic development by reducing the foreign exchange which would otherwise have been available for the financing of essential projects. It may not be easy to reconcile the provision of such facilities to importers with the paramount requirement of keeping total expenditure within reasonable limits; it would, however, seem that efforts made to introduce administrative improvements, even of a minor character, in the operation of licensing procedures may bring in substantial rewards.

Finally, the experience gained by the diplomatic and commercial services abroad may be of particular assistance to the importers in that they might strengthen their bargaining position when making purchases on the various markets. In all countries, but more particularly in countries which have not been accustomed to make important orders abroad, the contribution of the external services of their governments will help them to get the best type of information on the specifications, relative quality and prices, of the producers in the various markets. It may be said also that the regular contacts which the high officials responsible for commercial policy may have with their colleagues of the other continents in the annual meetings of the CONTRACTING PARTIES to GATT have been particularly fruitful in imparting to the countries of the ECAFE region valuable information on conditions abroad. For instance, the discussion of the annual report of the members of the European Coal and Steel Community at the last session of the CONTRACTING PARTIES revealed that the prices charged to Indian importers were higher than they should be because of the absence of direct relationship between exporting firms in continental Europe and users in India.

Trade policy as a means of affording reasonable protection to industries set up within the framework of economic development programmes

When a new industry is set up in a country engaged in an active policy of economic development, that industry generally requires assistance from the government in the form of protection against the competition of similar products from abroad. The justification for such protection is to be found in the fact that, during the early stages of operation, the new industry is not fully efficient; the volume of production is usually below the optimum level and the cost of production is abnormally affected by overhead charges; the labour and technical staff have not yet acquired the necessary skills to avoid stoppages, breakages or wastage, and the product of the new industry may face consumer's prejudice. The government, however, will usually not be prepared to grant protection unless it is satisfied that the substitution of domestic products for imported goods is in the general interest of the country. In other words, it will have to be satisfied that, after a temporary period of breaking in, the new industry will be in a position to produce efficiently. The best test will be the ability of the industries to compete with foreign suppliers.

The two main methods of affording protection to domestic industries are protective tariffs and quantitative restrictions. The trend in the industrial countries after the war has been toward a gradual diminution of quantitative restrictions as a protection device and all countries parties to the GATT have accepted that philosophy and recognized that tariffs are the appropriate means of granting protection to their industries. On the assumption that tariffs are to be eventually the normal means of protection in most countries in the ECAFE region, it may be useful to consider first whether the tariff and the tariff policies in those countries are adequate to meet the requirements of economic development. In most countries in the ECAFE region, as in other countries producing mainly primary products, the tariff has been and is still used for fiscal purposes. So long as these countries were importing practically all the manufactured goods which their consumers required, there was no reason to restrict the demand for such goods in order to protect domestic industries. On the other hand, the levy of revenue duties on the import of consumer goods was a very convenient method which enabled the governments to obtain substantial revenue without incurring high administrative expenses. The purpose of the tariff is naturally reflected in the structure of the tariff itself, and in particular in the tariff nomenclature. It may be said that in most countries of the region today, the tariff and its nomenclature are no longer appropriate to serve as an instrument of tariff protection and, as a matter of fact, a number of countries have already started a revision of their tariff and tariff regulations with this in mind.

These changes however cannot be limited to the structure of the tariff and to tariff regulations such as valuation rules, etc. A fiscal tariff is different from a protective tariff. The object of a fiscal duty is to bring in as much revenue as possible and it is so designed as not to restrict unduly the amounts imported; on the other hand, a protective duty is intended to have a restrictive influence on the volume of imports, and therefore on the revenue derived from import duties. The selection of the items on which a fiscal duty is imposed is different from the choice of items on which protective duties are levied. In the case of a fiscal duty, the government will usually select good revenue earners and for reasons of convenience it will define the items in a very broad way. In the case of a protective duty, the government will try to limit the effect of the protection to those specific types of goods which are produced and to exempt partially or totally the imports of the goods which are not so produced. Finally, a fiscal duty may have to be modified from time to time without much advance notice being given, whereas a protective duty, in order to achieve its purpose, must possess a certain degree of stability. In view of these conflicting objectives it may be difficult to move rapidly from a fiscal to a protective customs tariff. There may be cases in which a new industry is penalized because for fiscal reasons, a raw material or an intermediary product necessary for its operation is subject to a high revenue duty, whilst the product manufactured by that industry is not so highly taxed. That new industry enjoys what may be called a negative protection, since the effect of the tariff is to subsidize the import of the manufactured foreign product.

One of the results of the setting up of new industries whose production takes the place of important products is a continuous decline in the revenue derived from import duties. As soon as domestic products are substituted for imported goods, on which a revenue duty is levied, the revenue from that duty diminishes. Sooner or later, the government will have to tap other sources of revenue, either by the institution of direct taxes, or by the introduction of excise duties or of consumption or turnover taxes. It would seem in the interest of economic development that this process of substitution should be expedited and that as soon as practicable, the tariff should be more or less confined to its normal function of protecting domestic industries. If this process is unduly delayed, domestic industry may enjoy in effect an incidental protection through a duty which the government imposes for fiscal reasons and the terms of competition will be modified for the foreign product so long as the domestic product is not subjected to a similar internal tax. Whether the duty is styled revenue or protective duty, its effect is clearly protective. When the government decides to introduce a tax on the domestic product in order to replace the income derived from the revenue duty on the imported product, it will be more difficult for the domestic producer to adjust himself to the situation than if the internal tax had been introduced and a protective duty had been established in conformity with the normal procedures.

In most of the countries of the ECAFE region, the change-over from a fiscal to a protective customs tariff has not yet advanced very far, but in a number of countries a distinction is already made between fiscal and protective motives and an independent machinery has been set up to deal with problems relating to the introduction of protective tariffs. The level of protection which is appropriate in the case of an industry or of a branch of production and consistent with the interests of the community at large, varies from country to country, from industry to industry, and from time to time, and there is a growing recognition of the fact that it would not be in the interest of economic development to grant such protection indiscriminately or without regard to the competitiveness of the industry requiring such protection. For these reasons some governments, such as India and Pakistan, whose policy is to rely on tariffs for the protection of new industries, have set up a Tariff Commission which consists of independent members and has at its disposal a staff (including a cost-accounting department) which is distinct from the other departments or civil service. The task of that Commission is to consider applications for protection in the light of an objective appraisal of the facts and, if necessary, to recommend changes in the level of that protection. There are no scientific criteria which may determine automatically whether an industry or branch of production is eligible for protection or what is the appropriate level of protection for a given industry. In the terms of reference of the Tariff Commissions, there is usually a clear indication that, in making their findings and their recommendations, they should take into account the interests of the consumers and of the community at large. It may be suggested that the interests of economic development would best be served if particular attention were paid to the following factors. It would appear appropriate to examine more particularly whether the activity of the industry asking for protection would result

in a net saving of foreign exchange for the country and would not lead to any substantial inflationary pressure. Economic development requires capital and foreign exchange, which are both scarce in under-developed countries and any mal-distribution of these scarce resources will retard or even jeopardize economic progress. While governments, in taking their decisions on development projects, are not entirely moved by economic considerations, since they have to take into account other factors such as the need to procure employment to their people, it seems that economic development would be facilitated if, as a rule, the protection granted would not go against these two important principles. In assessing the saving in foreign exchange which a new project may bring about, it would be in order to set off against the saving made by the substitution of domestically manufactured products for imported products, the outlays in foreign exchange necessary to service any foreign aids required to start production, to pay the instalments relating to the purchase of equipment and machinery, as well as the outlays in foreign exchange required for the import of raw material or intermediate products or spare parts, for the payment of salaries of foreign technical staff, etc. It should also be necessary to take into account any loss in foreign exchange which may result from the consumption by the new processing industry of raw materials which would otherwise be exported. Different factors would have to be taken into consideration when the product of the industry is used for further processing or is used otherwise or when the product is sold directly to consumers. In the first case, it would seem normal to assess the impact of the price differential between the domestic and the imported product on the cost of production of the other industries and to take into account the cumulative effect of this factor on the cost of living. In the case of consumer goods, the direct impact of the price differential on the cost of living should be taken into account; it may be useful also to consider separately the impact of the price differential on sensitive items which may influence the standard of living of the working classes and justify requests for wage increases.

So much for the eligibility of the industry for protection. There remains the question of the level of protection which may at the same time afford reasonable safeguards for the industry and for the consumers. It would be conducive to an optimum allocation of resources for economic development to fix the level of protection in each case in such a way as to let foreign competition exercise a moderate influence on the domestic market; this would induce the domestic producer to increase its efficiency and protect the consumer against any tendency on the part of the domestic producer to charge an unjustifiably high price for his product. In this connexion, the obligation made on the Tariff Commissions to keep the situation under periodic review and to make recommendations in the light of changed circumstances appears to be eminently wise. If it is assumed that the level of protection is based on an estimate of the cost of production of a normally efficient domestic producer plus a reasonable profit margin, substantial changes may occur rapidly in the elements of this calculation in a country which is engaged actively in a programme of economic development. During the first stages of development, it may be, for instance, necessary to allow for a comparatively high margin of

profit in order to attract men and capital from the trading community, to build up an entrepreneur class. After a while, the margin of profit which may have been considered necessary during the initial stages might be revised downwards. In the same way, the remuneration of capital or of short-term bank loans may well be very high during the early stages of development but the situation may improve as soon as the country develops a commercial banking system and a capital market. On the other hand, labour costs may be particularly low in the beginning but, when industrialization has progressed, conditions may change and wages may rise. This increased cost element, however, might be compensated to a certain extent by improved productivity.

Even if the setting up of an independent Tariff Commission may introduce a certain element of rigidity and give less scope to international trade considerations than if these functions were left in the hands of governmental departments, it seems, on balance, that the setting up of Tariff Commissions whose members and staff are independent from governmental or sectional influence has so many advantages that it should commend itself to the majority of governments which consider the revising of their customs policies. In order, however, to enable such a Commission to work with success, it might be appropriate to consider whether its activities should be limited to private industry or whether a similar procedure could not be applied in the case of industries owned or supported by the state. Although such extension of the jurisdiction of the Commission to state-owned or sponsored industries may give rise to administrative or political difficulties, there would be clear advantages in enabling an impartial body to submit these industries to the same test as those financed by private means. It should be recognized that the influence of such a Commission would be limited so long as protective tariffs do not represent the only means of controlling imports. So long as industries may rely on the incidental protection derived from the continuance of revenue duties or the maintenance of balance-of-payments quantitative restrictions, it will be difficult for the Tariff Commission to assess the real level of protection enjoyed by a given industry. There is no doubt that, if an industry can rely on such controls, there will be no strong inducement for it to apply for a protective tariff or, if it does so, it will usually consider the protective tariff granted to it as a line of retreat to be used when the other forms of protection disappear. The co-existence of various forms of protection may also have the disadvantage of limiting the freedom of action of the Tariff Commission when it considers an application in the case of an industry which has been operating under the shelter of revenue duties or quantitative restrictions. Even if the Tariff Commission is satisfied that the continuation of such an industry is not economically justifiable, it might be politically difficult for it to refuse the granting of protection which may lead to unemployment or the writing off of substantial capital investments. If the policy of a government is to resort eventually to the tariff, as the normal means of protection for its industries, it would be in the interest of the economic development of the country as a whole if the recommendations of the Tariff Commission were made more effective by eliminating as rapidly as possible the other forms of incidental protection.

Whilst most governments have accepted the view that the tariff is the most appropriate means of protecting their new industries, there are still a number of cases in which quantitative import restrictions are used for the promotion of a new industry. In order to attract capital, domestic or foreign, a government may have decided to limit the import of the product to be manufactured by a new industry to the share of the market which is not going to be supplied by that industry. If, for instance, that industry is able, in a given year, to supply 80 per cent of the market, imports may only be allowed to provide the remaining 20 per cent. When it is able to satisfy the entire demand of the market, imports may be entirely prohibited. If this system may contribute to overcome the hesitations of the entrepreneurs or the financial backers, it may have serious disadvantages for the community at large. By thus earmarking a large part of the market for the domestic producer, the government gives in effect a monopoly to the domestic producer for that share of the market. It would be more profitable if the price differential paid by the consumers as a result of that monopolistic situation would accrue, not to the domestic producer in the form of a windfall profit, but to the government in the form of a tariff, the proceeds of which might be used to finance economic development projects. As, in those circumstances, foreign competitors cannot influence the price level on the domestic market, or increase their share of the market by lowering their prices, they will naturally adjust their selling price to that of the domestic producer. If such a practice were to become permanent or to be extended to many industries, it would influence substantially the general level of prices. It would also bring about distortions in the price system and therefore in the structure of the economy. This would lead to a maldistribution of the limited resources in capital and in foreign exchange which are available for the financing of economic development.

For these reasons, resort to quantitative restrictions for protective reasons is now considered by many countries to be rather the exception than the rule. There are cases where, during its first stage of operation, an industry may not be sufficiently protected by tariff measures while it appears reasonable for that industry to enjoy protection. It would appear appropriate to have those cases examined by the body which has to recommend on the introduction of protective tariffs. Such a body would be the best qualified to make recommendations in such cases since it has gained experience in deciding when and to what extent protection is necessary in the case of industries applying for tariff protection. There would also be some advantage if the decision to grant protection by means of quantitative restrictions on imports could be valid only for a very short period, and if it were clearly provided in that decision that tariff protection would be substituted for the restriction as soon as the special circumstances justifying the maintenance of administrative controls cease to exist. The Tariff Commission might be instructed to review the situation at very short intervals and to recommend, as soon as practicable, a change in the form of protection.

Trade policy as a means of combating inflation

The Economic Commission for Asia and the Far East as well as the Economic Commission for Latin America, in their surveys, have described the influence which inflationary pressures may have on the rate of economic progress, and it is generally recognized today that inflation is one of the worst enemies of economic development. Trade policy may contribute substantially to the prevention of inflation in a number of ways. It may, for instance, prevent increases of prices on world markets from affecting the level of internal prices. The government may introduce export duties which would deprive the producers of the windfall profits which might thus accrue to them and which if left in the hands of the producers, would drive up internal prices in the absence of an elastic domestic supply of consumer goods or stimulate increased imports. The pooling of these profits may serve later to supplement prices obtained on world markets when these prices fall below the average. The government may even go further and introduce a stabilization or equalization fund which would guarantee to its domestic producers a certain level of prices, irrespective of the fluctuations which may take place on world markets. This system, if it does not replace stabilization schemes applied by international co-operation, may at least avoid some of the worst effects of fluctuating world prices for primary products on the internal stability of the primary producing countries. By adopting a sober attitude concerning tariff protection based on definite criteria and procedures, the government may, by its commercial policy measures, ensure that the setting up of a new industry does not adversely affect the general level of prices or the cost of living. By improving its methods of import control for the protection of their balance of payments, governments may also neutralize the inflationary effect of a restriction of the supply of consumer goods at a time when economic development measures lead to an increase in the purchasing power of the population. Apart from the measures which have been described in the preceding paragraphs, other possibilities are open to the governments. For instance, the drastic curtailment of the imports of non-essential or luxury goods which may be required to give the necessary priorities to essential economic development projects may induce entrepreneurs and domestic capitalists to invest money in the production of these goods in the country itself. This venture, although very profitable to those engaged in it, would be less valuable to those engaged in the development of the economy at large. Such a diversion of resources may have an inflationary effect which the government might counteract by levying internal tax on such non-

essential and luxury goods whether they are imported or produced domestically. Another method which governments have often used in order to combat inflationary pressures is the temporary relaxation of import controls or the temporary suspension of import duties on some crucial consumer goods when prices threaten to get out of control. This method has been applied in a number of cases with respect to essential foodstuffs, consumer goods, or raw materials. A more spectacular measure in the same direction has been recently introduced by the Government of the Federal Republic of Germany, which decided to combat inflation by scaling down its customs duties for the entire industrial sector. It might be said that only industrial countries with abundant foreign exchange resources can afford to resort to such a drastic measure and that most of the countries in the ECAFE region would not be able to take the risk of spending a large part of their scanty reserves in order to achieve such a result, even if it were highly desirable. It is nevertheless true that some governments of the region have already resorted to measures of this kind, even though these measures were of a limited scope. India, for instance, has suspended its duties on steel in order to avoid an increase of prices of steel products in the country. There may be other cases in which the governments may wish to resort to such measures in order to prevent or correct inflationary pressures which may retard or jeopardize their economic development.

CONCLUSION

In the preceding paragraphs, it has been attempted to suggest how commercial policy could assist economic development. The ultimate objective of trade policy is clearly the same as that of economic development and there seems to be no reason to fear a conflict between these two. There is no lack of economic development projects in any of the countries of the ECAFE region; there is, however, a lack of capital and foreign exchange resources. Trade policy may be of assistance in the selection of those development projects which are most profitable in relation to the availabilities of capital and foreign exchange. The value of that contribution, however, depends to a large extent on the practical arrangements approved for associating the authorities responsible for trade policy in the formation of development policy. This contribution may be comparatively light if the departments responsible for trade policy are brought in after the decisions on development projects are taken; it would be more substantial if the advice of those departments is sought before these decisions are hammered out.

A STATISTICAL NOTE ON CHANGES IN THE TERMS OF TRADE AND THEIR EFFECTS ON NATIONAL INCOME AND TRADE BALANCE IN ECAFE COUNTRIES

The terms of trade, together with the export volume, determines the capacity to import, which is important to countries whose production is not diversified enough to meet all domestic needs, especially those countries dependent largely on the importation of capital goods for the implementation of their development programmes. While the volume of export is steadily increasing in most countries, the terms of trade fluctuate from year to year, thus affecting the capacity to import, and therefore the extent of fulfilment of a given development programme. On the other hand, the gains or losses from the terms of trade may increase or decrease the national income and therefore the national expenditure which may possibly cause instability. An analysis of the changes in the terms of trade and their effects on national income and trade balance in ECAFE countries, would be of value.¹

In the present note, terms of trade between all exports and all imports of the ECAFE region will be first examined, together with the volume of export, the capacity to import and the gains from trade. A similar examination will also be made of the export of primary products from the region. For the individual countries, gains or losses will be compared with the domestic product in order to see how such gains or losses affect the national income. Finally, the effect on trade balance of gains from trade as compared with the quantum effect and the general price level effect, will be examined.

1. General concept of terms of trade, capacity to import and gains from trade

Terms of trade measures the relative change in exports and import prices; the index number of the terms of trade is the ratio of the unit value index of exports (P_x) to the unit value index of imports (P_m), or P_x/P_m . Since prices of services are generally not available, indexes of terms of trade are compiled on the basis of prices of merchandise entering international trade only. The index shows the percentage change in the quantity of imports which can be obtained for a given quantity of exports. The exact definition of the composition of the baskets of exports and imports depends on the formula and method used in the compilation of the unit value indexes.²

The total capacity to import of a country during a certain period may be related to the total foreign exchange resources available from export of goods and services, net capital inflow, donations or grants etc. The

¹ A previous study on the gains from the change in the terms of trade appeared in an article entitled "Gains from trade in ECAFE countries, July 1950 to June 1953", *Economic Bulletin for Asia and the Far East*, Vol. V, No. 1, May 1954, pp. 21-28.

² For a discussion of the implications of the different formulae, see *ibid*, pp. 22-23.

available foreign exchange may or may not include borrowed funds and accumulated reserves, depending on the definition. For measuring the capacity to import goods and services only, these exchange resources should be net of the amount needed for payments other than on imports. Where suitable statistics for such analysis on non-merchandise trade are not available, the capacity to import merchandise created by the export of merchandise in the current year may be measured. In comparing the capacity to import in different years, the value figures should be deflated by the changes in the price of imports. Statistically, the capacity to import in a given year at constant price based on merchandise trade (C) can be expressed as the ratio between the value of exports (X_n) and the unit value index of imports (P_m). It also equals the product of the terms of trade and the current exports revalued at base year prices. Thus,

$$C = \frac{X_n}{P_m} = X_0 Q_x \frac{P_x}{P_m} \dots \dots \dots \quad (1)$$

where C is the capacity to import, X_0 and X_n are the value of exports in the base year and the current year, Q_x is the quantum index of export.

The increase in the capacity to import over a base year O is:

$$C_n - C_0 = \frac{X_n}{P_m} - X_0 = X_0 (Q_x \frac{P_x}{P_m} - 1) \dots \dots \dots \quad (2)$$

The percentage gains from the change in the terms of trade per unit of export at base year price are equal to $P_x/P_m - 1$. Since total gains are also affected by the quantity of exports, total gains in relative terms (or as percentage of the exports in the base year) are equal to $Q_x (P_x/P_m - 1)$. Expressing the gains in monetary values at constant prices, this has to be multiplied by the value of exports in the base year (X_0). Thus,

$$G = X_0 Q_x \left(\frac{P_x}{P_m} - 1 \right) = X_0 Q_x \frac{P_x}{P_m} - X_0 Q_x \dots \dots \dots \quad (3)$$

$$\text{or } G = \frac{X_n}{P_x} \left(\frac{P_x}{P_m} - 1 \right) = \frac{X_n}{P_m} - \frac{X_n}{P_x} \dots \dots \dots \quad (3')$$

where G is the gain at constant prices from the change in the terms of trade, X_n is the current year value of exports and $Q_x X_0$ and X_n/P_x are the two alternative methods of estimating given year exports at base year prices.³

³ It has been indicated in the article mentioned in footnote 1, p. 1, that the results of the two formulae will be identical if, for the unit value and quantum indexes, one is computed by the Laspeyre formula and the other by the Paasche formula so that the product of the two indexes is equal to the value ratio.

It may be noted that the first term in formula (3) or (3'), $X_0 Q_x \frac{P_x}{P_m}$ or X_n/P_m , represents the capacity to import, after having allowed for the changes in the export and import prices. The gains or losses represent the difference between this capacity and the capacity to import if both export and import prices remain unchanged. The gains (losses) are therefore that part of the increase (decrease) in the total capacity to import, which may be attributed to the relative change in the prices of export and import goods, or the terms of trade. The other component of the increase (decrease) in capacity is attributed to the changes in the quantum of export. Thus, the increase in the capacity to import over a base year is:

$$C_n - C_0 = G + X_0 (Q_x - 1) \dots \dots \dots \quad (4)$$

It is perfectly possible that the capacity to import may increase while there are losses, instead of gains, from the change in the terms of trade. This may be so, for example, when the percentage increase in the quantity of exports is more than the percentage decrease in the export prices, import prices remaining unchanged or decreasing less than export prices.

The gains calculated in this manner contribute part of the increase in the national income, derived from trading with other countries when export price and import price do not change in the same proportion.

2. Choice of base for comparison

The Korean war which started in July 1950 affected greatly the terms of trade of the region, especially for 1950 and 1951. To evaluate the effect of the Korean war on the terms of trade and related matters, some year before the Korean war should be used as the base. The immediately preceding year 1949, though a year of minor economic recession in the United States, is used as the base, since comparable statistics for earlier years are not available for a number of countries.

The terms of trade for a given year are said to be favourable or unfavourable when compared with those in the base year, and gains or losses from trade for the given year are relative to those in the base year and have nothing to do with absolute gains or losses which are statistically not measurable. Since recession in a large industrialized country like the United States usually results in a greater reduction in world prices for raw materials than for manufactured goods, and therefore less favourable terms of trade for the primary producing countries in the ECAFE region, the use of 1949 as the base tends to boost up their terms of trade in subsequent years.

Another factor which may affect the terms of trade in ECAFE countries in subsequent years, as compared with those in 1949, is the devaluation of currency in the sterling area countries in September 1949. As a general rule, devaluation tends to reduce immediately export prices relative to import prices in terms of foreign currency, and makes the terms of trade less favourable in the period immediately following it. On the other hand, devaluation may improve the terms of trade of the non-devaluating countries which are trading partners of the devaluating countries, especially when devaluation takes place simultaneously in a large number of countries.

In reading the terms of trade and gains from trade with 1949 as the base, all these basic factors affecting the position of subsequent years in relation to the base year should be taken into consideration.

3. Regional studies of the terms of trade, capacity to import and gains from trade

The calculation of the terms of trade of the ECAFE region versus the rest of the world would involve the tremendous work of isolating intra-regional trade by commodities. In the present study, however, comparison is made only of the exports of ECAFE countries to all countries with imports of ECAFE countries from all countries, including both inter-regional and intra-regional trade. Insofar as the change in the prices of commodities entering intra-regional trade affects alike the regional unit value indexes of both imports and exports, the effect tends to cancel out,⁴ and the result may approach the terms of trade of the region.

For the present study of the regional terms of trade, regional indexes of unit value of exports and imports are compiled according to the following formulae:

$$P_{xr} = \frac{\sum X_n}{\sum \frac{X_n}{P_x}}, \quad P_{mr} = \frac{\sum M_n}{\sum \frac{M_n}{P_m}}$$

where P_{xr} and P_{mr} are respectively the regional index numbers of unit value of exports and imports and X_n , P_x , M_n and P_m are respectively value and unit value indexes of exports and imports of individual countries, all converted into United States dollars.⁵ As the basic data of countries in the region are not in all cases suitable for this purpose, regional indexes cover only nine countries,⁶ which together have an aggregate trade value equal to 85 per cent of the total trade value of the region.

The regional terms of trade calculated by means of these indexes imply an unrealistic assumption that export proceeds of all countries were pooled together to pay for the cost of import goods. The capacity to import and gains from trade thus derived are therefore not the same as those obtained by aggregating the country totals, especially when the composition of imports varies from one country to the other.⁷

In order to examine the fluctuations in the purchasing power of the major primary exports of the region in regard to imports, unit value indexes of the

⁴ Mathematically, even if import prices of a commodity entering intra-regional trade move exactly the same way as its export prices, and the import and export qualities of the commodity are identical, their effects cancel out only in a geometrical formula, not in an aggregate or arithmetic formula.

⁵ In converting unit value indexes in national currencies into those in United States dollars, the different timing in revising the export and import exchange rates in certain countries has been taken into account. The formula is more correct if all national indexes of unit value are compiled with the Paasche formula. However, this is not true for all countries.

⁶ Burma, Ceylon, India, Indonesia, Japan, Malaya, Pakistan, the Philippines and Thailand. Because of the multiple exchange rates, and the lack of a suitable method to adjust them, the unit value indexes of China (Taiwan) and southern Viet-Nam are not included.

⁷ For terms of trade, capacity to import and gains for individual countries, see section 4 below.

Chart 1. Terms of trade, capacity to import and gains from trade in ECAFE region

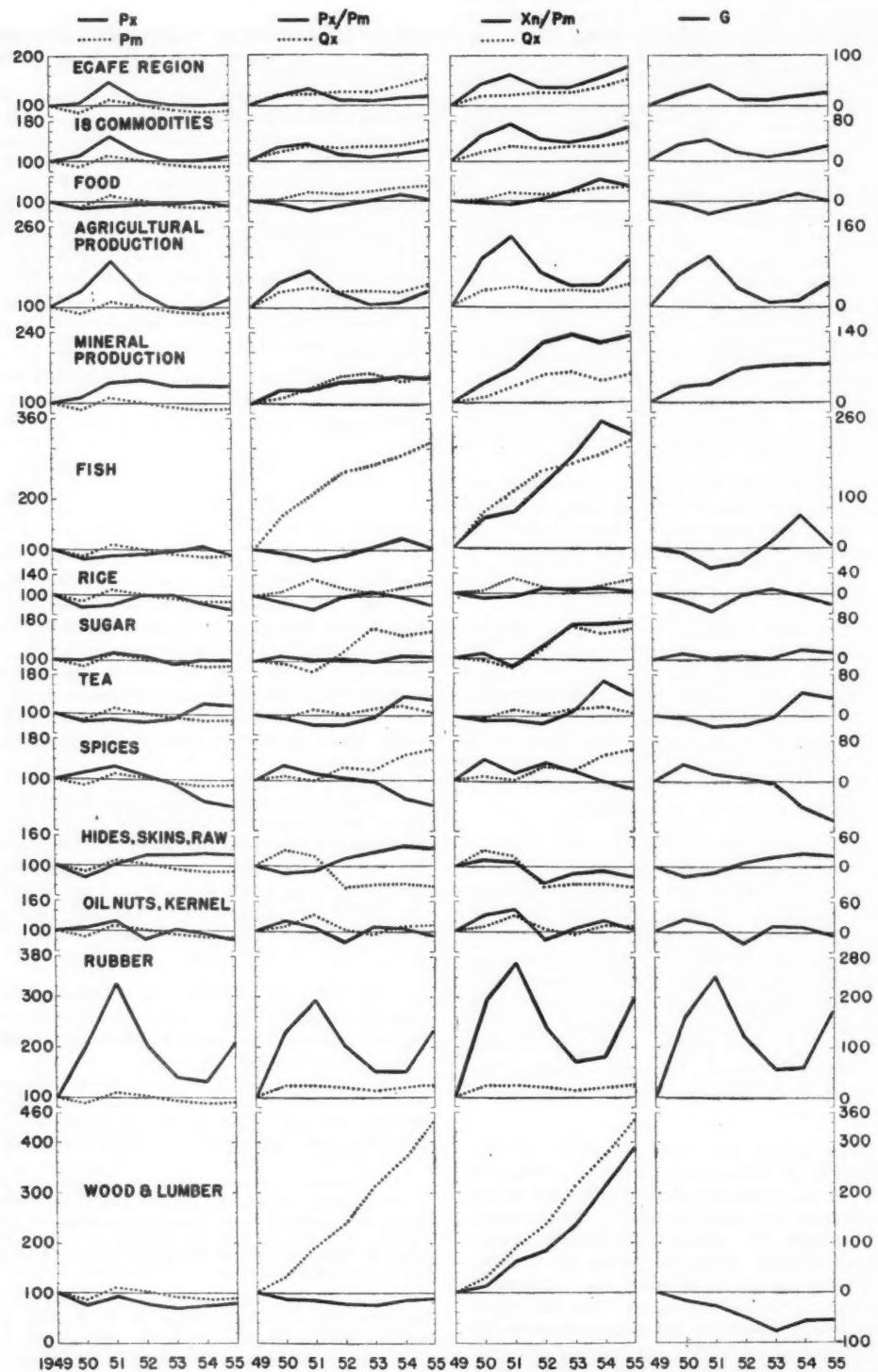
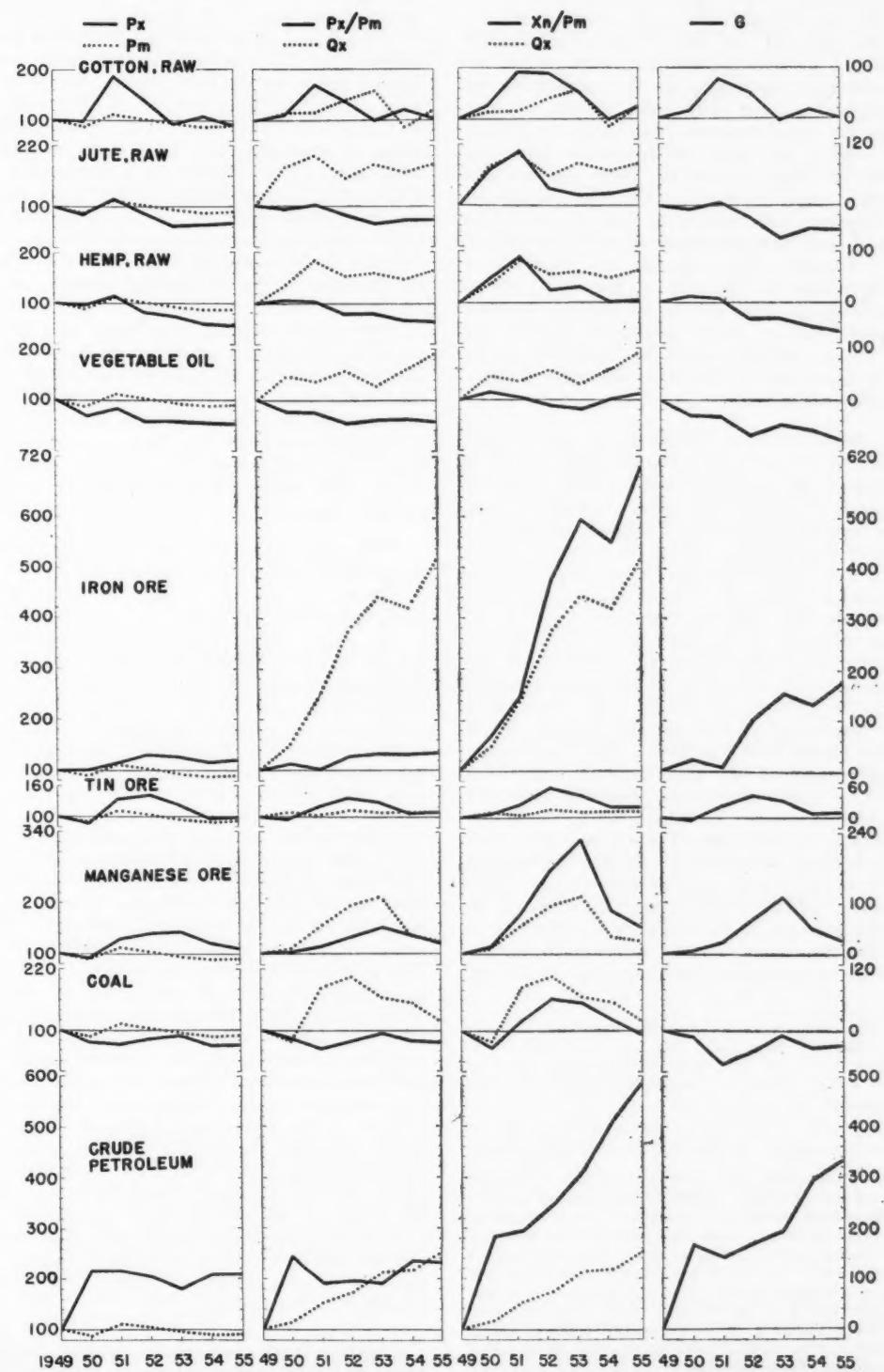


Chart 1. Terms of trade, capacity to import and gains from trade in ECAFE region (contd.)



export of 18 primary products are constructed, covering as many countries as availability of statistics permits. These indexes are derived from regional total value of exports (in dollars) and regional total quantities of exports.⁸ The export unit value indexes are then compared with the regional unit value index of all imports as described in a previous paragraph. This method has the same unrealistic assumption as that underlying the matching of total exports with total imports of nine countries, for the export proceeds from rubber in Malaya may not be used to buy many of the articles which are imported only into Japan or India. These qualifications must be kept in mind in studying the regional characteristics.⁹ However, the result does give a rough idea of the terms of trade between export of primary products and general imports. The capacity to import thus calculated represents the quantity of imports, with an average composition, which can be exchanged for these primary exports, and the gains represent the part of the increase of import capacity which is accounted for by the change in the terms of trade between these primary exports and general imports.¹⁰

Chart 1 shows, in four columns, the terms of trade, quantum index of export, capacity to import, and gains from the change in the terms of trade for all exports and for the export of 18 primary products. Column A gives the unit value indexes of exports and imports, the quotient of each pair of these indexes being the terms of trade. Column B gives the terms of trade index compared with the quantum index of exports. The product of the terms of trade index and the quantum index of export is the index of the capacity to import which is shown in Column C. On the other hand, the product of the quantum index and the *deviation* of the terms of trade of trade from the 1949 level gives the gains from trade expressed as percentages of the base year exports, which are shown in Column D of the chart. These percentage gains, in percentages of the base year export, added to the quantum index of exports, give the index of the capacity to import.¹¹ In Chart 1, the quantum indexes of exports are also plotted in Column C so that the difference between each pair of curves in this column is the gains from trade expressed as percentages of the base year export. Table 1 shows the actual figures in dollars for the increase in the capacity to import and the gains from the change in the terms of trade for exports of different categories, for the period 1950-1955.

⁸ The index covers the exports of 16 countries (excluding Afghanistan, mainland China and Nepal) and the commodities included in the index account for 44 per cent of the total value of exports of these countries. If Hong Kong and Japan are excluded, the percentage is increased to 58.

⁹ The cancelling effect as mentioned in the first paragraph of this section also does not apply to the study of the 18 primary exports.

¹⁰ Except for certain special cases, such as the export of rice, the gains and losses from trade based on the regional analysis conform pretty well to those based on the country analysis. For the export of rice, regional analysis shows large losses during the period as compared with 1949, but country analysis shows gains for Burma and only a small loss for Thailand. This is because imports into Burma and Thailand include a larger percentage than regional totals of textiles which fell in prices during the period under study. The gains from the export of raw petroleum based on the regional analysis, mainly from Brunei, must not be confused with the losses to the export of petroleum and products from Indonesia.

¹¹ All those relations are based on formulae (1), (2), (3) and (3').

Because of the predominance of the export of primary products, and the larger amplitude in the change of their prices, the change in the unit value index of all exports followed closely the change in the unit value index of the export of 18 primary products. Average export prices rose in 1950 and reached a peak in 1951, declined in 1952 and 1953, and again rose in 1955. Import prices fell in 1950; though rising in 1951, they were, except in 1951 and 1952, below the 1949 level in the period 1950-1955. As compared with 1949, the terms of trade had, therefore, been very favourable in 1950 and 1951. Though they declined in 1952 and 1953 and were approaching the 1949 level, they improved again in 1954 and 1955. The index of gains from trade (expressed as percentages of the base year exports) followed the general pattern of the terms of trade index, but because of the continuous increase in the volume of exports, which in 1955 was 54 per cent greater than in 1949 for all exports, and 38 per cent greater for the export of 18 primary products, the gains index was also increasingly higher than the terms of trade index. For the same reason, the index of the capacity to import was also increasingly higher than the gains index. In 1955, as compared to 1949, the capacity to import was more than 80 per cent higher for all exports (excluding Japan, 50 per cent higher) and about 67 per cent higher for primary exports.

The gains from the terms of trade, either including or excluding Japan, were the highest in 1951. Capacity to import was also the highest in 1951 for the region excluding Japan. However, because of the large increase in the volume of export in Japan, capacity to import for the region including Japan was the highest in 1955. Total gains over 1949 during the period 1950-1955, at \$5,900 million, accounted for 40 per cent of the total increase in the capacity to import, which was \$14,800 million. Excluding Japan, total gains accounted for 65 per cent of the total increase in the capacity to import. (See table 1)

Among the primary products exported from the region, the fluctuation in the rubber price was the largest. Unit value index of rubber export, with 1949 as the base, shot up to 326 during the Korean war in 1951, fell back to 141 in 1953 and 133 in 1954, and rose again to 210 in 1955, because of the rubber boom. The quantity of rubber export in 1950-1955 was, however, only about 20 per cent more than in 1949. Because of the large fluctuation in the export price, and the relatively stable level of the export quantity it may be seen from Chart 1 that terms of trade, capacity to import and gains from trade, based on rubber export, moved very similarly to the rubber price. On the other hand, because of the large export value of rubber which was really one-third of the total export value of the 18 primary products and more than one-fourth of the total export value of the region excluding Japan (see table 1), the change in the unit value of export, terms of trade, capacity to import and gains from trade based on all exports, and on export of agricultural materials, followed the same general pattern as rubber, though with smaller amplitude of fluctuation.

Many export commodities dropped in their export price in United States dollars in 1950, partly because of the devaluation in September 1949. These commodi-

Table 1
CAPACITY TO IMPORT AND GAINS FROM TRADE: REGIONAL TOTALS^a

Million US dollars at 1949 prices

Export of	Capacity to import in 1949	Increase in capacity to import over 1949						Gains from trade compared with 1949							
		1950	1951	1952	1953	1954	1955	Total 1950-1955	1950	1951	1952	1953	1954	Total 1950-1955	
All commodities															
Including Japan	4,640	1,929	2,851	1,718	1,698	2,600	3,648	14,783	1,025	1,862	561	487	862	1,135	5,932
Excluding Japan	4,130	1,547	2,371	1,181	1,036	1,524	2,097	9,756	1,100	1,947	662	556	919	1,214	6,398
18 primary products	2,394	1,165	1,729	1,026	875	1,128	1,624	7,547	765	1,039	437	213	431	707	3,592
Food	1,034	-23	-60	41	203	448	310	919	-42	-232	-90	13	175	25	-151
Fish	17	11	13	22	31	44	39	160	-2	-7	-5	2	11	2	1
Rice	396	-36	-23	38	36	39	14	68	-61	-149	-18	26	-23	-94	-319
Sugar	125	11	-21	30	84	87	92	283	15	3	7	3	23	18	69
Tea	428	-35	-38	-70	39	279	175	350	-15	-89	-79	-16	198	151	150
Spices	67	28	10	23	13	-1	-10	63	22	9	4	-1	-36	-53	-55
Agricultural materials	1,222	1,134	1,696	820	486	515	1,131	5,782	767	1,222	438	98	150	577	3,252
Hides and skins	32	4	3	-10	-5	-3	-7	-18	-6	-3	3	6	8	7	15
Oil-seeds	208	70	92	-33	11	42	7	189	49	25	-43	22	17	-17	53
Rubber ^b	469	874	1,242	653	338	377	933	4,417	761	1,127	560	272	285	809	3,814
Wood and lumber	30	5	20	26	42	66	88	247	-5	-9	-16	-24	-17	-17	88
Cotton	155	41	144	140	86	-1	38	448	21	120	79	-2	26	3	247
Jute	154	103	162	50	30	33	52	430	-13	6	-38	-98	-69	-76	-288
Hemp	34	16	31	9	11	1	2	70	4	2	-11	-11	-16	-21	-53
Vegetable oils	139	21	4	-14	-27	1	19	4	-44	-47	-97	-68	-84	-112	-452
Mineral products	139	53	92	164	185	164	182	840	40	49	89	102	105	106	491
Iron ore	6	3	8	21	27	25	33	117	1	0	6	8	7	10	523
Tin ore and concentrates	78	4	17	44	32	14	14	125	-3	16	33	25	7	8	86
Manganese	17	2	13	27	37	14	8	101	1	4	12	19	8	4	48
Coal	12	-4	3	8	7	3	-1	16	-1	-8	-5	-1	-4	-3	-22
Crude petroleum	26	47	51	64	81	108	127	478	43	37	44	51	77	87	339

^a For explanation see text.

^b For Malaya, only net export of rubber is included.

ties included fish, rice,¹² sugar, tea, hides and skins, wood and lumber, cotton, jute, hemp, vegetable oils, tin ore, manganese and coal. Prices of all these commodities except coal rose again in 1951. The subsequent trends were less uniform. It is interesting to note that during 1950-1955, natural rubber, sugar, iron ore, manganese ore and crude petroleum were the only articles which showed consistent gains over 1949. Total gains in six years from rubber amounted to US\$3,800 million, from iron ore to \$520 million and from crude petroleum to \$340 million. Smaller net gains in the period were also registered for cotton, tea, tin ore and concentrates, and oil seeds. Most other primary products registered net losses from terms of trade during this period as compared with 1949, those with the greatest losses being vegetable oils, rice¹³ and jute (\$450 million, \$320 million and \$290 million respectively).

The direction and magnitude of the gains or losses depends considerably on the base chosen for comparison. If 1950 instead of 1949 be chosen as the base, net losses instead of net gains would be registered for rubber and net gains for rice, for the period as a whole. If a pre-war year be used as the base, rice exports would have very large gains during this period. The use of 1950 as the base would also result in a net loss for the export of 18 primary products and for all exports.

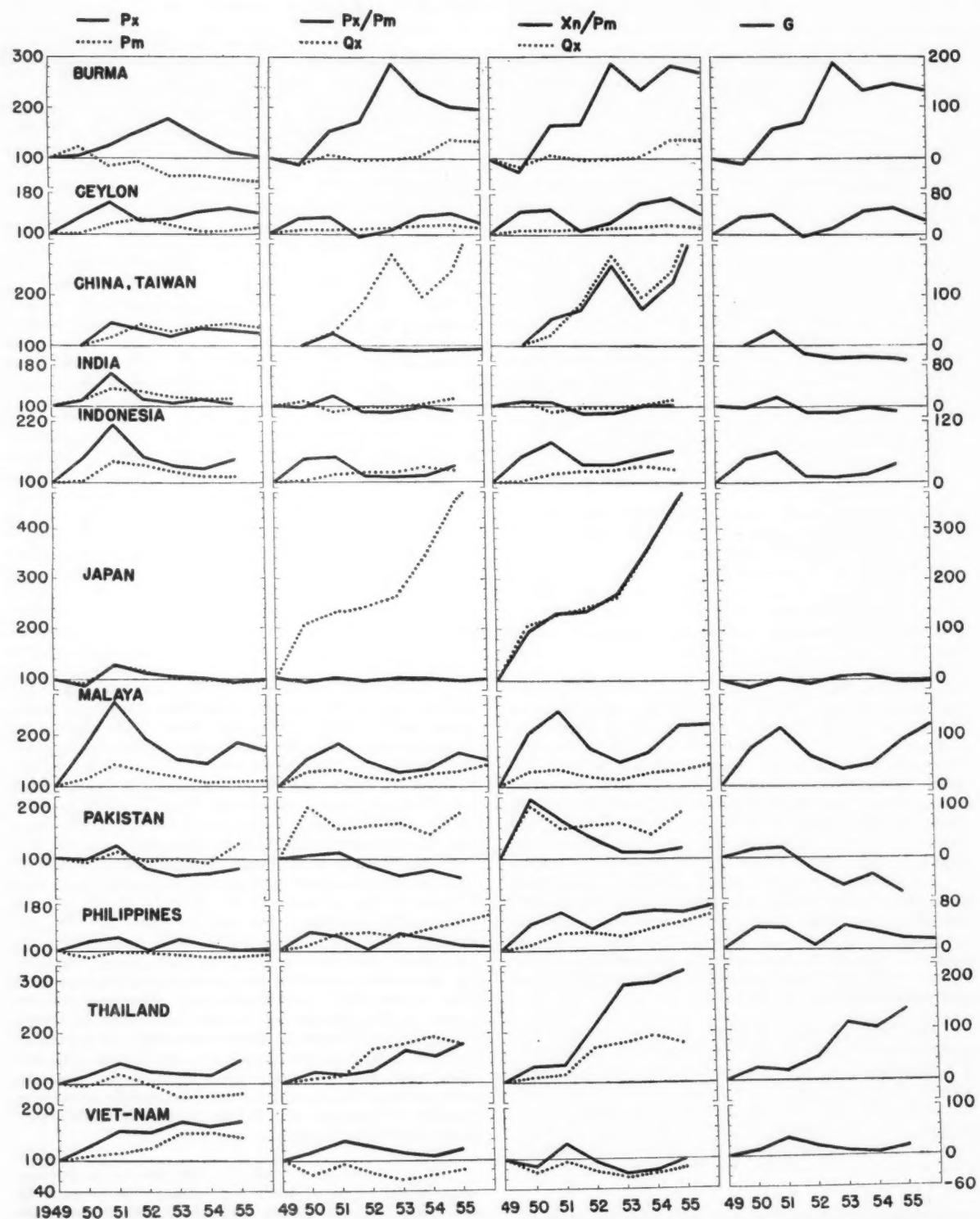
¹² In Thailand also, export price of rice was mainly fixed in sterling. The export price of rice in dollars therefore also fell after devaluation.

¹³ See footnote 10 on page 22.

If, however, attention is paid to the trends and the fluctuations of the various magnitudes during the seven years from 1949 to 1955, the effect of the base year is relatively small. We have already seen that gains from trade and capacity to import increased from 1949 to 1951 because of the Korean war, declined from 1952 to 1953, and became again very large in 1955, because of the rubber boom. Compared with 1949, loss from rice export reached the peak in 1951, lessened considerably in 1953 and became again large in 1955, probably because of the improvement in the world supply of rice. Because of the increase in the quantity of rice export, the capacity to import for rice remained in 1955 the same as in 1949. The terms of trade in recent years for spices, wood and lumber, raw jute, hemp, vegetable oils were not favourable and losses from the export of these commodities were increasing. However, the increase in the quantity of exports has either improved the capacity to import for these commodities or prevented it from falling proportionally to the losses. On the other hand, the favourable terms of trade for iron ore and crude petroleum, coupled with the rapidly increasing quantity of exports, resulted in increasing gains from trade and import capacity (see Chart 1).

It is interesting to note that the short-term fluctuations in the terms of trade for certain exports such as fish, rice, tea and hides and skins are in opposite direction to those for certain other exports such as rubber, cotton, spices, jute and hemp. Countries exporting

Chart 2. Terms of trade, capacity to import and gains from trade in selected ECAFE countries^a



^a Unit value indexes are based on national currencies

commodities with the prices changing in opposite directions may reduce the over-all instability through diversification.

4. Country-wise studies of terms of trade, capacity to import and gains from trade

Chart 2 shows, in four columns, the unit value (in national currencies) index of exports and imports, terms of trade, quantum index of exports, capacity to import and gains from the change in the terms of trade. From column A of the chart, it may be seen that there is a similar pattern in the change in the export prices of most of the primary producing countries. For Ceylon, China (Taiwan), India, Indonesia, Malaya and Thailand, export prices rose during the Korean War in 1950 and 1951, fell in 1952 (for some countries the fall continued to 1953 and 1954), and rose again in 1954 or 1955. Burma, Japan, the Philippines and Viet-Nam¹⁴ are exceptions to the general pattern. Export prices did not fall in Viet-Nam after 1951 because of inflation. In the Philippines, they rose in 1953 after the fall in 1952, but fell again in 1954 and 1955 and returned to the 1949 level; in Japan, the fall, though mild, continued from 1952 to 1955. The relatively low level of export prices in recent years for India and Japan was mainly caused by the fall in the textile prices. In Burma, export prices did not rise much in 1950 and 1951, but shot up to a high peak in 1953, then fell in 1954, 1955 and 1956. Export prices in 1956 fell in Burma, Ceylon, China (Taiwan) and Malaya, though they rose slightly in Japan and the Philippines.

The pattern of change in import prices was less uniform. In India, Indonesia, Japan, Malaya and Thailand, import prices rose to a peak in 1951, but fell continuously afterwards. The peak for import prices was, however, reached by 1950 for Burma and by 1952 for Ceylon and China (Taiwan). It may be noted that import prices of Pakistan in rupees rose in 1955, mainly because of devaluation. Because of the large proportion of textiles in their imports, import prices of Burma in 1955 were 40 per cent below the 1949 level and import prices of Thailand in the same year were 20 per cent below the 1949 level.

With the above-mentioned trends of export and import prices, the terms of trade, as shown in column B of the chart, improved in 1950 and/or 1951 in all countries except Japan, whose exports are composed primarily of manufactured goods. Terms of trade fell in 1952 and 1953 for all countries except Burma, Japan and Thailand. For Burma and Thailand the reason for the increase was the continued fall in import prices. In 1954 and/or 1955, terms of trade again improved for Ceylon, India, Indonesia, Thailand and Viet-Nam, but deteriorated for Burma, Pakistan and the Philippines.

Column C shows the index of the capacity to import as compared with the quantum index, the difference being the gains from the change in the terms of trade expressed in the base year price and plotted in Column D. Comparing 1955 with 1949, capacity to import increased

roughly by 3.5 times in Japan, 2 times in Burma and Thailand, about one time in Ceylon and Malaya and about two-thirds in Indonesia and the Philippines. Of the increased import capacities, a major portion for Burma, Ceylon, Indonesia and Malaya was from the gains from trade, quantum increase of exports being relatively small. For China (Taiwan), Pakistan and Japan, practically all the increase in import capacity was from the quantum increase of exports; gains from trade were either negligible or negative. For Thailand, gains from trade and quantum increase contributed equally to the increase in import capacity. For India, the quantum increase of exports prevented the losses from terms of trade from reducing the import capacity in 1955 to below the 1949 level. In Pakistan, the losses from trade were so large that the capacity to import fell continuously during this period.

The short-term fluctuation in the capacity to import and in the gains is also worth noting. These fluctuations were especially large in Ceylon, Indonesia and Malaya, all following the rubber trend. The gains and capacity to import of these countries were large in 1951, declined in 1952 and/or 1953, and increased again in 1954 and 1955. In 1956, they decreased in Ceylon and increased in Malaya. The fluctuation of the gains in India and Japan and of the capacity to import in India were, however, small as compared with the total capacity to import for these countries.

Table 2 gives the increase in the capacity to import and gains from trade in dollars. Because of the post-war recovery, the increase over 1949 in the capacity to import was the largest in Japan, being \$1,600 million in 1955, though there were losses from terms of trade. Malaya had the next largest increase in the capacity to import, being \$900 million in 1956, all coming from the gains. In Burma, the increase in 1955 reached \$400 million, of which \$300 million was from gains. The increase in capacity and the gains for Ceylon and Thailand were also large.

Table 3 shows the gains from the change in the terms of trade from selected exports in these countries. Compared with 1949, export of rice gave Burma losses in 1950 and 1951, but considerable gains in 1952-1955. In Thailand, however, losses from rice export occurred in four of the six years covered (1950-1955). Export of rubber from Ceylon, Indonesia, Malaya and Thailand all registered large gains since 1949. During 1952-1955, export of copra from Ceylon, Indonesia and the Philippines suffered losses as compared with 1949. Losses also occurred for tea export from Ceylon, tin export from Indonesia and Malaya, petroleum products export from Indonesia,¹⁵ textiles and machinery export from Japan, raw jute export from Pakistan, abaca export from the Philippines and general manufactured goods export from India. On the other hand, export of raw materials from India, base metal and manufactures from Japan and raw cotton from Pakistan registered gains.

One of the commodities whose gains or losses from trade fluctuated very much was rice. In both Burma and Thailand, large losses in earlier years compared with 1949 were turned into gains in the later period

¹⁴ Viet-Nam here refers to the whole of Viet-Nam till the end of 1954, the period covered in the present note for that country. (It may be noted, however, that beginning 1955 statistics available cover southern Viet-Nam only).

¹⁵ See footnote 10 on page 22.

Table 2.
CAPACITY TO IMPORT AND GAINS FROM TRADE: INDIVIDUAL COUNTRIES

Million US dollars at 1949 prices

	Burma ^a	Ceylon	India ^b	Indonesia	Japan	Malaya	Pakistan	Philippines	Thailand
<i>Capacity to import in 1949</i>									
1949	222	297	1,334	527	472	745	351	254	129
<i>Increase in capacity to import over 1949</i>									
1950	-54	131	114	265	438	784	410	134	42
1951	144	142	96	396	614	1,100	270	191	43
1952	151	23	<i>-178</i>	175	635	573	143	109	144
1953	411	71	<i>-175</i>	173	790	357	50	185	245
1954	303	184	8	244	1,208	516	44	201	252
1955	403	214	55	313	1,645	896	70	196	280
1956	373	123			2,035	900		225	
<i>Gains from changes in terms of trade compared with 1949</i>									
1950	-22	104	<i>-13</i>	248	-64	550	47	104	29
1951	129	115	246	314	9	850	65	102	24
1952	157	<i>-10</i>	<i>-151</i>	75	-40	433	-86	14	55
1953	412	31	<i>-154</i>	64	25	251	-195	111	145
1954	296	133	<i>-24</i>	92	34	331	-119	87	132
1955	318	155	<i>-135</i>	197	-22	665	-247	50	181
1956	294	81			-25	905		42	

Note: Figures derived from data for less than 12 months are shown in italics.

^a 12 months ending 30 September of the years stated.

^b 12 months beginning 1 April of the years stated.

centering around the years 1953-1954. Gains from rubber export in Indonesia and raw cotton in Pakistan also fluctuated considerably, being large around 1951 but small in 1953 and 1954. The continuous increase in the loss from the export since 1950 of manufactured goods from India and of textiles and machinery from Japan as well as the continuous increase in the gains, since 1952, for tea export from Ceylon, are significant.

Table 4 shows the terms of trade between pairs of commodities or pairs of groups of commodities for India, Japan and Pakistan. In India, where both exports and imports are composed of manufactured goods as well as raw materials, terms of trade between pairs of groups of commodities may be examined. Terms of trade between export and import of "food, drink and tobacco" (mainly tea in exports and food grains in imports) were favourable to India since 1949, especially in 1956. Between export and import of raw materials, terms of trade up to 1955 were almost the same as in 1949, but deteriorated in 1956. Because of the large export of textiles—one of India's major exports which fell in price during the period, terms of trade between export and import of manufactured goods and between export of manufactured goods and import of raw materials became less and less favourable. Terms of

trade between export of raw materials and import of manufactured goods were fluctuating and did not follow a definite trend.

In Japan, terms of trade between export of textiles and import of textile fibres and between export of metal manufactures and import of ore and metal scraps had been very unfavourable as compared with 1950. In Pakistan, terms of trade between export of raw cotton and import of cotton piece-goods were much more favourable in 1950 than in 1949, though they returned to the 1949 level in 1953 and 1954. The devaluation in 1955, which resulted in a sudden increase in the import price of cotton piece-goods relatively to the export price of raw cotton, reduced the terms of trade for the year between these commodities to 70 per cent of 1949.

When the terms of trade for Pakistan between general exports and the import of each of the three groups of commodities—food, drink and tobacco, raw materials and manufactured goods—are examined, it is found that terms of trade for the import of food, drink and tobacco were the least favourable, being in 1956 only 45 per cent of 1949, followed by the import of manufactured goods (66 per cent). Even the terms of trade for the import of raw materials fell in 1956 to 82 per cent of 1949.

Table 3
CAPACITY TO IMPORT AND GAINS FROM TRADE FOR SELECTED EXPORTS, BY COUNTRY

Country and commodity or Commodity group	Capacity to import in 1949 ^a	Increase in capacity to import over 1949 ^a							Gains from trade compared with 1949 ^a						
		1950	1951	1952	1953	1954	1955	Total 1950-1955	1950	1951	1952	1953	1954	1955	Total 1950-1955
Burma:															
Rice	180	-33	103	237	227	317	261	1,112	-61	-9	95	128	114	55	322
Ceylon:															
Tea	181	25	3	-27	12	117	133	263	23	-2	-38	-10	78	94	145
Rubber	35	76	99	45	44	41	58	363	65	94	42	41	39	53	334
Coconut	48	21	26	2	10	10	12	81	12	13	-22	-5	-1	-15	-18
China (Taiwan):															
Sugar	74		-32	-25	-4	-32	-26	-119		5	-11	-50	-30	-37	-123
Rice	3		10	14	6	3	20	53		4	5	3	2	5	19
India:															
Food, drink & tobacco .	306	-24	3	-15	20	106	88	178	-1	-7	-11	9	91	88	169
Raw materials	278	-33	28	6	-27	-43	90	21	-7	20	4	26	27	22	92
Manufactured goods . .	656	13	140	-73	-143	-84	-86	-233	-59	164	-22	-167	-181	-183	-448
Indonesia:															
Rubber	105	233	361	267	122	133	281	1,397	181	290	156	48	56	206	937
Petroleum & products .	148	-2	-16	20	23	56	44	125	-13	-42	-37	-85	-53	-56	-286
Tin in concentrates . .	61	-12	-3	14	7	-5	-7	-6	-10	-1	-2	5	-9	-5	-22
Copra	56	1	40	-11	-8	-10	-24	-12	8	9	-20	-2	-2	-2	-7
Japan:															
Textiles	399		-11	-111	-61	115	158	90		-12	-51	-62	-77	-157	-359
Base metal & manufactures	152		64	116	17	82	216	495		55	41	34	34	63	227
Machinery	82		-3	9	-18	38	40	66		-8	-13	-98	-61	-133	-313
Malaya:															
Rubber (net export) . .	262	436	559	205	88	127	401	1,816	314	452	155	48	81	327	1,377
Tin metal	119	17	13	12	-11	8	10	49	-99	-54	-53	-70	-74	-75	-425
Pakistan:															
Raw cotton	108	93	182	192	113	17	2	599	58	117	91	-16	6	-32	224
Law jute	145	148	207	97	56	51	34	593	26	27	-24	-118	-92	-131	-312
Philippines:															
Copra	90	48	46	-9	20	38	27	170	18	5	-32	8	-1	-20	-22
Sugar	45	1	12	35	45	58	59	210	-5	-6	5	9	4	7	
Abaca	29	13	30	8	8	-3	-2	54	-2	1	-14	-14	-19	-24	-72
Thailand:															
Rice	195	-9	-30	23	50	-16	-12	6	-83	-104	-104	44	9	-45	-283
Rubber	24	45	58	27	28	42	80	280	37	52	16	25	30	67	227
Tin in concentrates . .	15	7	4	8	13	9	11	52	-2	1	-4	5	2*	2	

^a 1950 for China (Taiwan) and Japan.

Table 4.

**INDEXES OF TERMS OF TRADE BETWEEN SELECTED PAIRS OF EXPORT AND IMPORT GOODS
(1949=100)**

INDIA					JAPAN				PAKISTAN	
Export of	Food, drink and tobacco	Raw materials	Manufactured goods	Manufactured goods	Raw materials	Textiles	Base metal and manufactures	Raw cotton		
Import of	Food, drink and tobacco	Raw materials	Manufactured goods	Raw materials	Manufactured goods	Textiles fibres	Ore and metal scraps	Cotton piece-goods		
1949	100.0 ^a	100.0 ^a	100.0 ^a	100.0 ^a	100.0 ^a				100.0 ^b	
1950	115.0	99.8	94.4	94.4	99.7	100.0	100.0	100.0	154.1 ^b	
1951	119.1	97.0	126.9	114.1	108.0	81.1	93.1	115.7 ^c		
1952	95.6	97.7	91.4	92.7	96.3	88.1	71.9	122.3 ^c		
1953	113.0	109.6	74.8	74.1	110.6	88.6	86.2	107.2 ^c		
1954	117.1	106.7	74.7	71.6	111.3	82.5	85.7	98.5 ^c		
1955	114.5	100.3	73.1	71.4	102.8	77.7	78.1	70.2 ^c		
1956	149.8	89.1	72.4	65.3	98.7	83.9				

Note: Figures derived from data for less than 12 months are shown in italics.

^a April to December 1949. ^b 12 Months beginning 1 April of the years stated.

^c 12 months beginning 1 July of the years stated.

5. Gains from trade and domestic product

The gains from trade constitute a part of the income of a country. Insofar as the export and import prices and quantity of exports of a country that affect the gains depend largely on the world market situation, such gains are beyond control by the country concerned.¹⁶ The gains are, therefore, in a sense, akin to windfalls which are independent of the efforts of a country. In measuring the increase of national income at constant prices it may be desirable to isolate such gains from the domestic product for a given country.

Whether the gains from terms of trade are included in the domestic product at constant prices or not depends on the method of estimation. In India, the domestic product at constant prices is estimated on the basis of the physical production, or certain indicators of the change in the physical production, of goods and services classified by industrial origin at base year prices, assuming the same cost/price ratio. In Burma, the domestic product is estimated mainly by multiplying certain indexes of physical production by the gross product in the base year. A method somewhat similar to Burma's and India's is used in Pakistan and gains from terms of trade are separately estimated. In these countries, although the change in the cost/price ratio is not considered and some of the indicators of quantum changes are not adequate, the result serves as a good approximation to domestic product at constant price. In Japan, estimates of national income and national expenditure at constant prices are arrived at by a process of deflation. For 1940-1952, consumption expenditure was deflated by a consolidated price index of consumer goods for both rural and urban areas; government non-consumption expenditure and capital formation (except for changes in stocks) by an effective price index of producer goods; exports by export unit value index and imports by import unit value index. Provided the deflators adequately represent the changes in prices of the series to which they are applied, changes in prices through time are eliminated, although, as in Burma and India, the change in cost/price relations is not considered.

The methods used in Burma, India and Japan do not take into account the gains or losses arising from the change in the terms of trade, and therefore show the result of domestic effort only. However, in Japan, the method of estimating national expenditure at constant prices was subsequently revised, by deflating the statistics at current prices by a consolidated price index of consumption goods and capital goods. Since the consolidated price index includes prices of both domestic and imported goods, the result is close to the expenditure at constant prices including the gains from the change in the terms of trade, provided the current values of

¹⁶ A country can increase the gains from trade if it has certain control over the world supply of a product which is exported by it or over the world demand for a product which is imported by it. There may be some methods which may increase the gains without the above conditions (e.g. exchange of rubber from Ceylon for rice from mainland China), but most commercial policies which a country can pursue are likely to reduce the gains rather than increase them.

imports and exports are close together.¹⁷ For our present purpose, estimates for Japan at constant prices are made with the following formula:

$$D_k = \frac{C}{P_c} + \frac{I}{P_i} + \frac{X}{P_x} - \frac{M}{P_m} \dots (5)$$

where D_k is domestic product at constant price not including gains from trade, C is consumption expenditure, I is investment expenditure, P_c is price index of consumer goods and P_i is price index of capital goods.

Similar method of deflation is applied to other countries than Burma and India. For the Philippines, cost of living index of Manila is applied to deflate consumption expenditure and wholesale price index of machinery and transport equipment is applied to deflate capital formation expenditure. For China (Taiwan) and Thailand, where capital formation is not available for all years, the following formula is applied:

$$D_k = \frac{D - X + M}{P} + \frac{X}{P_x} - \frac{M}{P_m} \dots (5')$$

where D is the domestic product at current price and P is a rough composite index of consumption price and wholesale price of capital goods.

For Ceylon and Malaya where wholesale price of capital goods is not available, cost of living index is used for P to deflate the first component of the formula.

Because of the limited coverage of the deflators for Ceylon, China (Taiwan), Malaya, the Philippines and Thailand, the results are approximate and their accuracy is not comparable with that for Japan, although similar approach is used for all these countries except Burma, India and Pakistan.

Table 5 and Chart 3 show the gross domestic product of nine countries at constant prices excluding and including gains from the change in the terms of trade. Gains from trade in 1955 increased Burma's gross domestic product by 24 per cent and Ceylon's by 12 per cent. It also increased Thailand's gross domestic product of 1954 by 11 per cent and Malaya's domestic product of 1953 by 16 per cent. The largest percentage gain was 57 for Malaya in 1951. Gains or losses to other countries were small.

¹⁷ Let D represent domestic product at current price, D_k domestic product at constant price not including gains from trade, and D' domestic product at constant price including gains from trade. Then, from formulae (3') and (5'),

$$D' = D_k + G = \frac{D - X + M}{P} + \frac{X - M}{P_m} .$$

If $X = M$,

$$D' = \frac{D}{P} .$$

The last formula (with cost of living index for P except Japan) was used in estimating gross real domestic product in the *Economic Survey of Asia and the Far East, 1955* except in the case of Burma and India. The deflated figures are therefore nearer to those including the gains from terms of trade than to those excluding the gains. See *Economic Survey of Asia and the Far East, 1955*, Table 1, p. 3 and footnote 5, p. 2.

Table 5.
GROSS DOMESTIC PRODUCT^a AT 1949 PRICES

	Burma ^b Mn. K.	Ceylon Mn. Ru.	China Taiwan ^c Mn. NT\$	India ^d Bn. Ru.	Japan ^d Bn. Yen	Malaya Mn. M\$	Pakistan ^e Mn. Ru.	Philippines Mn. Pesos	Thailand Mn. Baht
(a) Excluding gains from terms of trade									
1949	3,234	3,077		98.6	3,374	3,550	16,825	6,393	22,199
1950	3,070	3,505	7,349	98.4	3,880	3,523	17,498	6,363	24,498
1951	3,467	3,864	7,675	101.7	4,321	3,460	17,498	6,509	23,663
1952	3,675	4,223	8,619	105.7	4,871	3,510	18,339	7,357	24,373
1953	3,940	4,072	10,666	112.5	5,256	3,618	19,349	7,766	26,976
1954	4,122	4,064	11,123	112.1	5,568		19,685	8,085	25,793
1955	4,348	4,475	11,983	115.5 ^f	6,218			8,755	
(b) Including gains from terms of trade									
1949	3,234	3,077		98.6	3,374	3,550	16,825	6,393	22,199
1950	2,996	3,879	7,349	98.3	3,853	4,789	17,654	6,571	25,129
1951	3,893	4,277	7,859	102.6	4,324	5,416	17,712	6,172	24,173
1952	4,195	4,187	8,549	105.1	4,857	4,506	18,053	7,386	25,563
1953	5,303	1,184	10,535	111.9	5,265	4,195	18,705	7,987	30,103
1954	5,100	4,539	11,004	112.0	5,581		19,293	8,259	28,658
1955	5,401	5,029	11,847	115.0 ^f	6,209			8,854	

^a Market prices.

^b 12 months ending 30 September of the years stated.

^c 1950 prices.

^d 12 months beginning 1 April of the years stated.

^e Net domestic product at factor cost.

^f Estimated.

For countries with large gains from trade, such gains have accelerated the rate of increase of national income. For example, in Burma from 1949 to 1955, gross domestic product excluding gains from trade increased 34 per cent but gross domestic product including gains from trade increased 67 per cent. Similar figures were respectively 45 per cent and 63 per cent in Ceylon; 16 per cent and 19 per cent in Thailand from 1949 to 1954; and 2 per cent and 18 per cent in Malaya from 1949 to 1953.¹⁸ As a matter of fact, the gains from trade not only increase total income directly, but may also increase it indirectly by providing larger capacity to import capital goods, technical personnel, patent rights etc.¹⁹ On the other hand, as gains from trade enhance income, and therefore expenditure of the country, the increased demand usually has the effect of increasing investment and capital formation. Amongst the ECAFE countries other than Japan, those having the largest percentage of their gross domestic product devoted to capital formation are Burma (18.22 per cent in 1952-1955), Ceylon (10.14 per cent in 1952-1954) and Malaya (11.12 per cent in 1952-1953);²⁰ they are

all countries with large gains from trade. The rate of capital formation in Burma and Ceylon increased considerably after 1949 and that in Malaya after 1950. Thus, insofar as part of the increased capital formation can be directly or indirectly attributed to the gains from trade, the gains from trade also help to augment the rate of increase of "domestic product excluding the gains from trade".

6. Terms of trade and trade balance

It is a well-known fact that the relative change in the trade balance depends on the terms of trade and the quantum ratio between exports and imports.²¹ If B is trade balance, X and M are exports and imports in various years, X_0 and M_0 are exports and imports in the base year, and P_x , P_m , Q_x and Q_m are unit value and quantum indexes of exports and imports,

$$\frac{X}{X_0} \div \frac{M}{M_0} = \frac{P_x}{P_m} \cdot \frac{Q_x}{Q_m} \quad \dots \quad (6)$$

$$\frac{B}{M} = \frac{X-M}{M} = \frac{P_x}{P_m} \cdot \frac{Q_x}{Q_m} \cdot \frac{X_0}{M_0} - 1.^{22} \quad (7)$$

X_0/M_0 being a constant, trade balance as a percentage of imports depends on the terms of trade and the ratio of the quantum indexes.

¹⁸ With the exception of Burma and India, the changes in real domestic product as shown in Table 1, p. 3 of the *Economic Survey of Asia and the Far East, 1955* are close to the domestic product including gains from trade as given in the present note. The wide discrepancy for the figures for Thailand is because of the government revision of the figures at current prices.

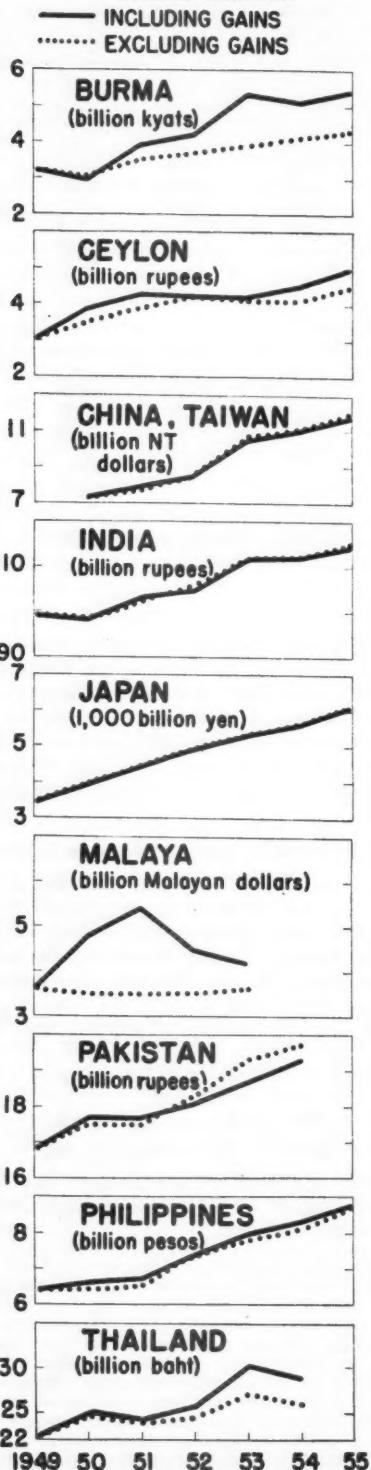
¹⁹ The result will be the same if certain essentials are imported so that more labour and capital in the country may be devoted to capital formation. But in the countries cited, there is usually surplus labour or under-employed labour, and it is not likely that many of the capital goods are versatile enough to be transferred to other uses. Ability to construct capital goods entirely by domestic resources, with the exception of certain buildings, is also small.

²⁰ Capital formation statistics for Thailand are not available. For statistics of gross domestic capital formation as a percentage of national product, see *Economic Survey of Asia and the Far East, 1955*, p. 10.

²¹ The term "terms of trade" used here is often known as the "net barter terms of trade" and the quantum ratio is the reciprocal of the gross barter terms of trade".

²² These two formulae are correct only when the unit value index and the quantum index are dependent on each other, one being constructed by the Laspeyre formula and the other by the Paasche formula. Otherwise, the formulae indicate the approximate relationship only. This relationship has been made use of, for example, in explaining the change in trade balance in the "Review of economic situation in Asia and the Far East, October 1952 to March 1953," *Economic Bulletin for Asia and the Far East*, Vol. IV, No. 2, August 1953, p. 24.

Chart 3. Gross domestic product at 1949 prices^a including and excluding gains from trade in selected ECAFE countries.



^a Net domestic product for Pakistan

The change in trade balance for a given year as compared with the base year, expressed in the base year price of imports (indicating the change in the trade balance in terms of the capacity to import), is equal to the effect of the net change in the volume of exports and imports (or, the volume effect) plus the gains from trade.

If E_q represents the volume effect on the change in trade balance, and ΔB_k represents the change in trade balance at the base year import prices, X_o and M_o represent the exports and imports of the current year revalued at base year prices,

$$E_q = (X_o - X) - (M_o - M) \dots \dots \dots (8)$$

$$\Delta B_k = \frac{X - M}{P_m} - (X_o - M_o) = E_q + G \dots (9)$$

When absolute figures of the change in trade balance at current prices are dealt with, the change in trade balance depends not only on the terms of trade and volume of trade, but also on the price level. This is so because, other things being unchanged, an equal increase in the price of exports and imports will result in a larger monetary value of the trade balance, whether positive or negative. There is as yet no generally agreed method of determining the price level effect on the change in trade balance.²³ In the present note, import unit value index is used to represent price changes, so that the price level effect, when added to the volume effect and gains from trade, equals the change in trade balance. Thus,

$$E_p = (X - M) - \frac{X - M}{P_m} = \frac{X - M}{P_m} (P_m - 1),^{24} \dots \dots \dots (10)$$

$$\Delta B = E_q + G + E_p \dots \dots \dots (11)$$

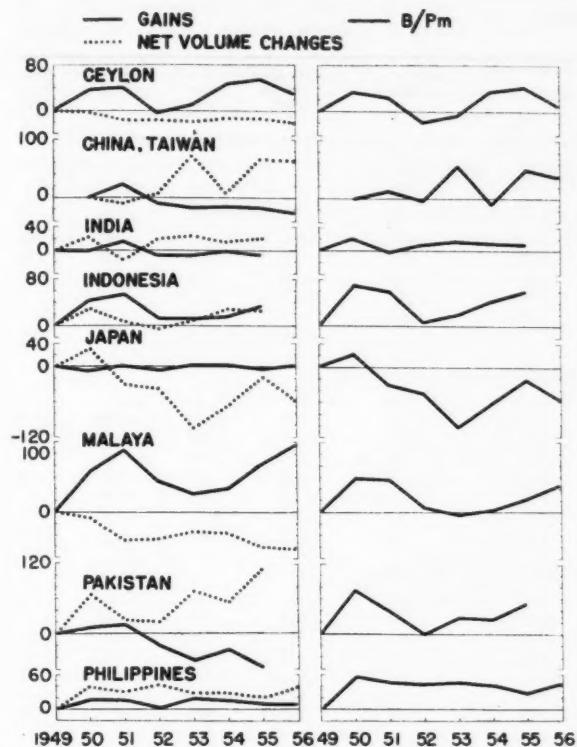
where E_p is the price level effect, representing the excess of the trade balance at current prices over the same trade balance deflated by the unit value index of imports, and ΔB is the change in the trade balance.²⁵

²³ The *World Economic Report*, 1950-51 (p. 76) used export price index and the *Economic Survey of Europe in 1954* (Appendix B, p. 302) used the average of import and export prices. In both cases, the residual, after deduction from the change in the trade balance of the "quantum effect" and the "general price level effect", is called "terms of trade effect". For more detailed discussion on the subject, see also G.D.N. Worswick, "Components of a Change in Balance of Trade", *The Review of Economic Studies*, Vol. XXIII (1), No. 60, 1955-56, pp. 76-82. In the formulae used in the *World Economic Report* and the *Economic Survey of Europe* as well as those cited in Worswick's article, the terms of trade effect is also influenced by the general price level.

²⁴ It may be noted that $\frac{K - M}{P_m}$ is the same as the last term of the formula in footnote 17 on p. 28 for the calculation of domestic product at constant prices.

²⁵ In the present set of formulae, the gains from trade are not influenced by the price level, although the "price level effect," being a residual, is influenced by the change in the relative price of exports and imports. It is considered that this set of formulae is more appropriate in a note primarily dealing with terms of trade.

Chart 4. Gains from trade, net changes in volume of exports and imports and trade balance in selected ECAFE countries.



In chart 4, column A shows the gains from trade and the net change in the volume of exports and imports, and column B shows the change in the trade balance deflated by the import price index. Gains and losses from trade dominated the change in the trade balance for Ceylon, but the volume change was more important for the changes in trade balance in China (Taiwan) and Japan. For Indonesia, the directions of the change in the gains from trade and volume changes were similar; they magnified the change in the trade balance. For Malaya and, during 1952-1955, for Pakistan, (also, for Burma and Thailand which are not shown in the chart but in Table 6) the two factors changed in the opposite directions and the change in the trade balance was moderated. The two factors also changed in opposite direction in India, though the change in trade balance was small.

Table 6 shows the three components (E_q , G and E_p) of the change in the trade balance at current prices during 1949-1955, as compared with 1949, according to formula 11. During the period covered, while there were gains from the terms of trade for Burma, Ceylon, Malaya, Thailand and Viet-Nam, which export mostly primary products, the volume effect (representing relative change in the quantities of exports and imports) had been unfavourable.²⁶ The price level effect was generally favourable for Ceylon, Malaya and Thailand but not

²⁶ For Burma, Ceylon, Malaya and Thailand, the unfavourable volume effect resulted from a bigger increase of imports than exports.

favourable for Burma and Viet-Nam. As a result of these divergent forces, the balance of trade position, on the whole, deteriorated for Burma, Thailand and Viet-Nam, but improved for Ceylon and Malaya. The other countries with gains from trade were Indonesia and the Philippines whose volume effect was also favourable, resulting in an improvement in the trade balance. In several countries, including China (Taiwan), India and Pakistan, there were losses from terms of trade since 1952. This was, however, compensated by a favourable volume effect²⁷ resulting in an improvement in the balance of trade position. For Japan which exports largely manufactured goods, the gains and losses from trade are fluctuating. But because of the deterioration in the volume effect since 1951, resulting from a larger increase of imports than exports, the balance of trade position had, since 1951, been worse than in 1949.

For the ECAFE region excluding Japan, the gains from the terms of trade for the whole period, coupled with the generally favourable volume effect, improved the trade balance considerably, converting a large import surplus in 1949 into an export surplus for most of the ensuing years. Including Japan, although there were still gains from trade, the volume effect was unfavourable for most years. The balance of trade position also improved, though to a smaller extent, and there was still large import surplus for half of the period.²⁸

7. Conclusion

During the period from 1949 to 1956, as compared with 1949, the favourable terms of trade brought large gains to the countries of the region. These gains, accompanied by an increase in the volume of exports, enhanced considerably the capacity to import, thus enabling larger capital formation and increase in national income.

Countries exporting mainly primary products usually enjoyed larger gains or sustained larger losses. These countries, arranged according to the magnitude of the gains reaped, were Malaya, Burma, Ceylon, Indonesia, Thailand and the Philippines. The country which had the largest losses was Pakistan. For India and Japan, with diversified exports, gains or losses were small, either absolutely or relatively to their own trade or national income.

Capacity to import for all countries increased and for most of the countries, such increases were of large magnitude. The increase in import capacity for Burma, Ceylon, Indonesia, Malaya and Thailand could be attributed mainly to the gains from trade. For Japan, however, the increase in import capacity was due entirely to the increase in the volume of exports.

The gains from the terms of trade in Burma, Ceylon, Indonesia, Malaya, the Philippines and Thailand helped to improve the balance of trade position of these countries, although in Viet-Nam, the volume effect and

²⁷ The favourable volume effect for China (Taiwan) was due to a greater increase of exports than imports while that for Pakistan was due to a smaller reduction of exports than imports.

²⁸ With the exception of the Philippines, imports are valued at c.i.f. and exports f.o.b. Total imports should therefore be larger than total exports even if the merchandise trade is balanced.

Table 6

EFFECTS OF CHANGES IN TERMS OF TRADE, VOLUME OF TRADE AND PRICE LEVEL ON TRADE BALANCES
(Base=1949)

Balance of trade	Improvement in balance of trade over 1949	Gains over 1949	Volume effect	Price level effect	Balance of trade	Improvement in balance of trade	Gains over 1949	Volume effect	Price level effect
ECAFE region including Japan (million US dollars)									
1949 . . .	-1,114	—	—	—	1949 . . .	-115	—	—	—
1950 . . .	830	1,944	1,025	1,025	1950 . . .	-50	65	-23	83
1951 . . .	89	1,203	1,862	-667	1951 . . .	-248	-134	3	-87
1952 . . .	-1,042	72	561	-456	1952 . . .	-272	-158	-14	-108
1953 . . .	-1,150	-36	487	-598	1953 . . .	-409	-294	9	-299
1954 . . .	-582	532	862	-408	1954 . . .	-277	-169	12	-183
1955 . . .	27	1,141	1,135	9	1955 . . .	-166	-51	-8	-52
				-3	1956 . . .	-268	-153	-9	-171
									27
ECAFE region excluding Japan (million US dollars)									
1949 . . .	-719	—	—	—	1949 . . .	-126	—	—	—
1950 . . .	984	1,703	1,100	735	1950 . . .	1,099	1,225	1,266	-176
1951 . . .	778	1,497	1,947	-503	1951 . . .	1,318	1,444	1,956	396
1952 . . .	-287	432	662	-231	1952 . . .	44	170	996	-836
1953 . . .	-15	704	556	147	1953 . . .	-216	-90	577	-633
1954 . . .	188	907	919	24	1954 . . .	-33	93	761	-666
1955 . . .	487	1,206	1,214	72	1955 . . .	336	462	1,532	-1,101
				-80	1956 . . .	13	139	2,083	31
									-1,184
									-760
BURMA (million kyats)									
1949 . . .	360	—	—	—	1949 . . .	-282	—	—	—
1950 . . .	228	-132	-74	-94	1950 . . .	748	1,030	156	948
1951 . . .	300	-60	426	-416	1951 . . .	303	585	214	339
1952 . . .	280	-80	520	-566	1952 . . .	-250	31	-286	32
1953 . . .	421	61	1,363	-1,045	1953 . . .	129	411	-644	1,057
1954 . . .	126	-234	978	-1,135	1954 . . .	-155	375	-393	-2
1955 . . .	211	-149	1,053	-1,021	1955 . . .	-294	371	99	236
1956 . . .	135	-225	974	-1,069	1955 . . .	636	918	-819	1,601
				-130	1956 . . .	117	548	84	136
CEYLON (million rupees)									
1949 . . .	35	—	—	—	1949 . . .	-665	—	—	—
1950 . . .	396	361	374	-21	1950 . . .	-11	655	209	445
1951 . . .	342	307	413	-165	1951 . . .	-109	556	203	351
1952 . . .	-203	-238	-36	-154	1952 . . .	-142	523	29	490
1953 . . .	-40	-75	112	-180	1953 . . .	-106	559	221	328
1954 . . .	412	377	475	-118	1954 . . .	-155	510	174	317
1955 . . .	480	445	554	-136	1955 . . .	-294	371	99	236
1956 . . .	110	75	290	-217	1955 . . .	-117	548	84	455
				2	1956 . . .	—	—	—	9
CHINA: Taiwan (million NT dollars)									
1950 . . .	-195	—	—	—	1949 . . .	493	—	—	—
1951 . . .	-104	91	184	-78	1950 . . .	695	202	631	-407
1952 . . .	-300	-105	-70	54	1951 . . .	759	266	510	-370
1953 . . .	329	524	-131	583	1952 . . .	190	-303	1,190	-1,491
1954 . . .	-356	-161	-119	56	1953 . . .	-266	-759	3,127	-3,984
1955 . . .	290	485	-136	535	1954 . . .	-500	-993	2,865	-4,025
1956 . . .	128	323	-212	502	1955 . . .	-37	-530	3,903	-4,442
				33	1956 . . .	—	—	—	9
THAILAND (million baht)									
1949 . . .	—	—	—	—	1949 . . .	493	—	—	—
1950 . . .	—	—	—	—	1950 . . .	695	202	631	-407
1951 . . .	—	—	—	—	1951 . . .	759	266	510	-370
1952 . . .	—	—	—	—	1952 . . .	190	-303	1,190	-1,491
1953 . . .	—	—	—	—	1953 . . .	-266	-759	3,127	-3,984
1954 . . .	—	—	—	—	1954 . . .	-500	-993	2,865	-4,025
1955 . . .	—	—	—	—	1955 . . .	-37	-530	3,903	-4,442
VIET-NAM (million piastres)									
1949 . . .	—	—	—	—	1949 . . .	-2,099	—	—	—
1950 . . .	—	—	—	—	1950 . . .	-2,657	-558	208	-525
1951 . . .	—	—	—	—	1951 . . .	-3,582	-1,483	601	-1,590
1952 . . .	—	—	—	—	1952 . . .	-7,023	-4,924	323	-3,843
1953 . . .	—	—	—	—	1953 . . .	-8,709	-6,610	155	-3,674
1954 . . .	—	—	—	—	1954 . . .	-9,419	-7,320	92	-4,031
									-3,381
INDONESIA (million US dollars)									
1949 . . .	-52	—	—	—	1949 . . .	-2,099	—	—	—
1950 . . .	360	412	248	161	1950 . . .	-2,657	-558	208	-525
1951 . . .	419	471	314	38	1951 . . .	-3,582	-1,483	601	-1,590
1952 . . .	-14	38	75	-34	1952 . . .	-7,023	-4,924	323	-3,843
1953 . . .	75	127	64	51	1953 . . .	-8,709	-6,610	155	-3,674
1954 . . .	227	279	92	165	1954 . . .	-9,419	-7,320	92	-4,031
1955 . . .	328	380	197	151	1955 . . .	—	—	—	-3,381

Note: Figures derived from data for less than 12 months are shown in italics.

Regional figures: calculations are based on calendar years for all countries except the following: Burma: 12 months ending 30 September prior to 1952; India: 12 months beginning 1 April prior to 1953; Pakistan: 12 months beginning 1 April for 1949.

Country figures refer to calendar years for all countries except the following: Burma: 12 months ending 30 September of the year stated; India and Pakistan: 12 months beginning 1 April of the year stated.

the price level effect were so unfavourable that trade balance worsened in spite of the favourable terms of trade. In India and Pakistan, although there were losses from the terms of trade, the volume effect was favourable so that the trade balance position improved.

Although the terms of trade continued on the whole to be favourable to the region, the main source of gains was from rubber and certain mineral products on the export side and textiles on the import side. Prices of primary exports and gains from trade fluctuated violently. The trade gains over 1949 for the region rose to a peak in 1951, fell to one-fourth in 1953, and again more than doubled in 1955. Although the fluctuations varied from

country to country, those countries which concentrated their exports in a small number of primary products had large fluctuations in the gains or losses. These fluctuations were primarily created by the change in the demand for the products exported by these countries and there was no control in the hands of the producer-exporters. There is no certainty that terms of trade may not suddenly fall again or shoot up further any time in the future. With the gains being as large as 10 to 50 per cent of the gross domestic product for certain years, any significant change in terms of trade will greatly affect the rate of economic development and economic stability in these countries.

REPORTS FROM ECAFE MEETINGS

SEMINAR ON URBANIZATION¹

The Seminar on Urbanization in the ECAFE Region, which was held in Bangkok from 8 to 18 August 1956, was sponsored jointly by the United Nations and by the United Nations Educational, Scientific and Cultural Organization, with the co-operation of the International Labour Organization; it was attended by 56 experts from 15 Member and Associate Member States of the Economic Commission for Asia and the Far East, specialized agencies (ILO, FAO, WHO and UNESCO), non-governmental organizations and the Secretariat of the United Nations. The purpose of the seminar was to throw light on the problems caused by the rapid growth of cities in Asia and the Far East, and to consider possible approaches to the solution of the problems. The following is an abridgement of the conclusions of the Seminar.

Problems of Urbanization

The Seminar noted that urbanization in most of the countries in Asia and the Far East was leading to serious problems owing to the following facts:

- (a) At the present time, there is a larger urban population than is justified by present levels of agricultural and non-agricultural productivity. Much of this urban population growth has not occurred in response to economic need for large urban population concentrations, i.e., from "pull" factors represented by the employment opportunities and expectations of higher incomes from industrial, commercial and service developments; but rather from "push" factors due to the low level of rural living, and sometimes to conditions of physical insecurity.
- (b) In most of the smaller countries there was a "primate" or great city many times, sometimes 5 to 10 times, the size of the second city, in contrast with the situation in the West which is characterized by "systems" of cities.
- (c) The growth of many cities in Asia and the Far East including that of primate or great cities was the result, mainly, of the low land-population ratio arising from rapid population growth in relation to agricultural resources, the disruption and disorganization produced by the last war and the political changes which followed, the lure of urban existence to which large parts of the peasant population was exposed as the result of military service as well as migratory refugee flows, the actual exhaustion of natural resources in some areas which

deprived some localities of their economic base, and seasonality of employment in agriculture which creates migratory flows bringing many people in contact with the attractions of city life.

- (d) The primate or great city may have a paralyzing effect on the development of other urban places and tend to be parasitic in relation to the remainder of the national economy.
- (e) Many cities in Asia and the Far East, in contrast with Western cities, often retain strong village characteristics or those of an agglomeration of villages.
- (f) The countries in Asia and the Far East, with cities in process of rapid growth, are over-urbanized in relation to the stage of their national economic development. The fundamental problem is that of low levels of living, reflecting low national productivity. The symptoms of this malady are in many urban areas inadequate housing, the almost complete absence of mass sanitary facilities, the presence of filth, squalor, repugnant odours, disease and high mortality. Moreover, where national illiteracy is high the urban areas have large urban groups who have little or no access to educational facilities.

The countries which are in the situation just described are faced with the difficult choice of allocating such of their limited resources as are available for use and susceptible of allocation towards the amelioration of such immediate problems; or of allocating them towards investment in productive enterprises with a view to longer-term social gains.

Most of the countries concerned are acutely aware of their present and impending urban problems and many have specific agencies organized to study and to deal with them. Planning agencies, welfare agencies, health agencies, insurance schemes, social legislation and other devices are being employed in an effort to ameliorate the more difficult problems. Some countries are seeking to decelerate the rate of urbanization or even to induce swelled urban population to return to rural areas by (a) action to increase agricultural productivity and incomes, including facilities for rural credit and increased utilization of co-operative methods, (b) efforts to make village life more attractive, (c) the stimulation of village and cottage industries, (d) the decentralization of new industrial development, (e) improvements in communications, (f) resettlement programmes including the opening of new agricultural lands, irrigation, etc., (g) land tenure reform and (h) general national and regional physical planning, though this is at present on a limited scale.

¹ See "Report by the Director-General on the Joint UN/UNESCO Seminar on Urbanization in the ECAFE Region" (UNESCO/SS/19, Paris, 7 December 1956).

Economic Aspects of Urbanization

Effects of urbanization favourable to economic progress in general are the occupational diversification, the greater opportunity of occupational and social mobility and greater readiness to adapt, and the dynamic influence of the technical progress which cities reflect through their contacts with other centres of economic progress.

Urbanization also by its very nature (i.e. the close physical association of widely needed factors of production) brings about "external economies" which increase productive efficiency, as well as internal economies of scale made possible by broader and more easily reached markets.

Money incomes are generally higher in urban than in rural areas. On the other hand, the views were divided or uncertain as to whether *real* incomes are likewise higher in urban areas.

Urbanization imposes a heavy requirement for capital formation for public utilities and housing, an especially difficult burden when urbanization is outpacing economic development and productivity. In the short run this, along with the more acutely felt need for education, health and other basic social overheads, is one of the major difficulties which urbanization creates.

Because of overcrowding and inability to provide essential facilities and services, many cities of Asia are at the point of developing serious dis-economies in production (transport and power shortages, etc.), as well as of overstraining their function of relieving rural under-employment and setting the pace for national development.

From the economic as well as other points of view, urban centres must be viewed as closely linked with rural areas in a single interdependent whole. Each requires the other and each affects the other. Accordingly, the economic advances achieved through industrialization and through urbanization not only depend on manpower, food and other resources obtained from rural areas but also, in a properly planned and balanced programme of economic development, can help to bring about a greater degree of advancement and specialization, with generally higher productivity in the countryside. The process of economic development itself is the fundamental premise. Urban misery and rural poverty are two sides of the same coin—economic underdevelopment—and without economic development, changes in the distribution of population as between urban and rural areas cannot in themselves satisfactorily solve the human problems involved.

In the years before the Second World War, the influence of governments on types, scale and location of industries was in theory, if not always in practice, largely indirect rather than direct in most countries; free market competition was generally considered to be beneficial, helping to produce a more efficient allocation of resources and a more healthy production alignment. In Asia the resulting industrial development has, however, been somewhat unbalanced in relation to the resources endowment of some countries.

The high priority accorded in current development plans in the ECAFE countries to investments in basic overheads puts a heavy premium on arriving at wise decisions because, in the long run, policies that determine the type, scale and location of these economic overheads will be largely responsible for the patterns of industrial development and the process of urbanization.

The creation of employment opportunities without retarding technological progress poses a problem which is recognized as of major importance but which has not been solved. Emphasis on labour-intensive techniques is frequently necessary but it is also desirable to avoid, if possible, carrying such emphasis to the point where it adversely affects the growth of society's net aggregate product, either directly or by way of its cumulative long-term influence.

Decentralized industrial development in Asian countries is likely to succeed only if considerable guidance is provided to small industries.

Social Aspects of Urbanization

Urbanization in addition to reflecting technological change and a new form of economic organization produces a new way of life. Cultural uniformity and traditional patterns of belief and behaviour tend to be broken, and social change is accelerated. This is usually accompanied by social disorganization as the first stage in social reorganization, i.e. the emergence of new forms of thought and behaviour. Various forms of social and personal disorganization result but, on the other hand, great advances in science, intellectuality, and in art forms also follow, some of which represent man's greatest achievements in civilization.

Since the family is generally the basic social unit through which socialization of the individual must be accomplished and modes of thought and behaviour shaped, special attention is needed in respect of changes in the family and the problems associated with such changes, including living conditions. It was recognized that many of the functions of the family have disappeared or been modified in urban areas, and that inter-personal relations of the family have been greatly modified. In consequence, it is necessary to safeguard the interest of urban populations so that adequate protective, educational, recreational and other needs previously provided for by the family are met by new urban institutions, such as health and welfare agencies, schools, social security provisions including provision for the aged, public unemployment compensation, public recreation centres and the like.

Continued urbanization in Asian countries, if unbalanced and unplanned, may be expected to be accompanied by increased delinquency and criminality; on the other hand, controlled urbanization holds promise for keeping social disorganization, including delinquency and crime, in check.

A general device for promoting development in the urban area may be found in some of the techniques of the "community development" programme. This programme essentially involves (a) the participation by the people themselves in efforts to improve their level of living with as much reliance as possible on their own

initiative, and (b) the provision of technical and other services in ways which encourage initiative, self-help and mutual help to make these more effective.

In such a process education must as always play an important role, and steps should be taken to see that the provision of educational facilities keeps up with the pace of urbanization.

It was pointed out that workers abruptly transplanted from rural to urban areas, particularly from a more or less primitive subsistence economy to a technologically more advanced exchange economy, tend to lack stability, have difficulty in adapting themselves to urban conditions, and lack training for or experience of industrial work, so that their productivity is very low.

Various measures may contribute towards a solution of these problems. Short-term measures include diffusing in rural areas accurate information concerning living and working conditions and employment prospects in the towns, and facilities for accelerated vocational training for workers who come to the towns. Longer-term measures include (i) expansion of the rural and urban school systems and a reorientation of school curricula, with greater emphasis on practical vocational or pre-vocational training, so as to equip children better for the conditions of urban labour markets; (ii) the development of vocational training facilities in urban centres; (iii) extension of the activities of employment services; and (iv) regulation of conditions of employment through social legislation and the improvement of working conditions.

If urbanization is not to create new wants more rapidly than industrialization creates the means for satisfying them, urbanization must be accompanied by a rapid growth in industrial productivity and employment through cottage, small and medium and large-scale industries. Measures of manpower policy need to be devised and applied as integral parts of more general policies aiming at economic development and higher levels of productivity and employment.

In urban areas changes occur in the traditional arts and crafts and forms of cultural enjoyment. In respect of these changes a number of generalizations were made. Modern machine-made articles will probably replace hand-made goods in Asian countries unless they are really useful and artistic, and steps should be taken to develop the best work in the traditional crafts. Although traditional forms of arts and crafts can be assisted by government information and encouragement, they will survive only if they derive their strength from popular approval, and their utilitarian as well as their artistic aspects must not be overlooked.

Since there is a tendency to emphasize the *problems* of urban development, particularly as manifest in social and personal disorganization and in the breakdown of revered tradition, it cannot be too strongly emphasized that the urban environment also produces social changes generally agreed upon as highly desirable not only through raising the level of living but, also, through stimulating intellectual and artistic pursuits. It is in the city that diverse cultures and traditions meet and that the innovator appears.

Physical and Regional Planning

The problems of the urban environment and of housing are perhaps worse in Asia than in any other part of the world. Their consequences and symptoms are social maladjustments and the drastic physical changes evident in slums and environmental blight.

Housing is deeply involved in the process of saving and investment. It is a type of capital formation that both encourages and strengthens long-term patterns of saving. A concerted effort is needed to mobilize all available resources including the direct contribution of future house-holders through self-help and co-operative methods and private initiative, particularly in connexion with housing programmes for the lower and middle-income groups. Such programmes may be encouraged by providing facilities for low-interest loans—especially important in ECAFE countries where interest rates are high. To this end it is necessary to establish special agencies and institutions whose purpose it is to channel and attract into the housing field, in addition to public finance, individual, co-operative and institutional savings and funds, as well as the contribution of industrial enterprises.

The production and use of local materials, both through cottage industries and on a larger scale, may greatly contribute to the reduction of the cost of housing. A further contribution can be made by mobilizing through self-help and mutual help the future house-holders' labour and skills for the building and improvement of their own houses and communities.

It is the task of physical or environmental planning to define the different components of a specific development programme in physical terms, by assessing and recommending, within a given area, zones for industrial, agricultural, residential, social and cultural uses, and by establishing a rational pattern for transport and communications, for power supply and distribution, and for other utility networks of the overall programme.

Environmental or physical planning provides an opportunity to reconcile the often divergent interest of material production, in its narrow sense, with human welfare and to help establish a balance in the urban/rural relationship of a developing area. The more rapid the urbanization process becomes, the more necessary it is to plan for it, so that costly mistakes of the past can be avoided.

Each community is related to others as regards economic, physical and social factors. Development in one place calls for co-ordination of local projects with regional and national programmes. The region, in fact, is the link between the individual community and the nations. A regional plan offers an easier identification of national goals in terms of local action.

Next Steps

The Seminar felt confident that, with increased industrialization and economic development, it would be possible to find solutions which would mitigate the problems of urbanization, and bring the fruits of modern technical and administrative progress to an ever-increasing number of people in Asia and the Far East.

The Seminar felt that there is a need in Asia and the Far East area for continuing activity in the field of urbanization and for liaison arrangements among those engaged in study and operational work. It was further of the opinion, that efforts should be made to co-ordinate research and the exchange of information on its results.

The Seminar considered that owing to the many-sided character of the industrialization and urbanization processes, activities contributing to their sound growth (such as economic planning, education, health, housing, and action in the field of productivity and labour problems, community organization and development, social science research and studies) should be increasingly promoted on a concerted basis.

It was also felt that arrangements should be made by the United Nations and specialized agencies for the exchange of experience on various policy aspects of urbanization, including such problems as the financing of activities and projects conducive to balanced urbanization and surveys as may be necessary of the overall experience of the different countries in this field.

Finally, it was thought that there should be increasing co-ordination of various activities in the field of urbanization, such as conferences on this subject itself, on specific aspects and phases of urbanization, and

on related problems (for example, the proposed Asian conference on regional planning in relation to urbanization and industrialization, the periodic meetings of the ECAFE bodies dealing with economic development and industrialization, and meetings called by the UNESCO Research Centre on Social Implications of Industrialization in Southern Asia).

Further, in order to facilitate study and action in the field of urbanization, the Seminar felt that there was a need to develop considerable demographic data on internal migration.

It was also pointed out that, within the existing United Nations Expanded Technical Assistance Programme, opportunities are offered to member governments for training abroad of officials having to deal with urbanization problems, for experts to assist governments in formulating policies, organizing research centres, etc., and that UNESCO's programme in the Social Sciences for Aid to Member States could also assist.

Hope was expressed that an international financial agency, such as the proposed Special United Nations Fund for Economic Development, would be able to provide, on a long-term basis, loans to Asian countries for ameliorating serious social, physical and economic conditions arising from urbanization.

AGRICULTURAL FINANCING AND CREDIT CENTRE¹

The Centre on Agricultural Financing and Credit was held at Lahore under joint sponsorship of FAO, ECAFE and the Government of Pakistan, was attended by participants from eight countries of the region, namely Ceylon, China, India, Indonesia, Japan, Korea, Malaya and Pakistan, and by observers from Australia, the United Kingdom and the United States of America.

The discussions at the Centre largely took the form of exchange of experience in dealing with the actual problems facing the countries of the region in the sphere of agricultural finance and credit. Thus, the participants considered, among other things, the objectives of agricultural development, the criteria determining investment in agriculture, the institutional structure most suitable for channelling funds to agriculture and the problems involved in training quickly the personnel needed. The information available at the Centre showed that realization of plans for expanding agricultural production was being sought generally by providing agricultural requisites at concessional rates and on credit, spreading technical knowledge, providing irrigation facilities and undertaking land reclamation or improvement involving relatively large investment.

The question of the institutional framework most suitable for channelling funds to agriculture was discussed at length. The prevailing view was that the co-operative movement, because of its democratic character and the fact that it provides scope for active

participation by individual members, was the most suitable institution for the purpose in view. However, it was generally felt that in view of the weak position of the co-operative movement in several countries, on the one hand, and the urgency of the problem of agricultural development, on the other, changes in both strategy and tactics might be necessary. Thus, in the first place, it might be desirable to ensure proper integration of overall financial institutions and the co-operative movement in a country. In the second place, it might be desirable in the interest of the co-operative movement to adopt an integrated approach to agricultural credit and marketing. In this context, mention was made of the experience of Japan and the Philippines in integrating agricultural credit and marketing activities, and the proposals of the All India Rural Credit Survey. In the third place, several participants felt that for a vigorous development of the co-operative movement, the governments concerned would have to play a more active role by providing increased financial assistance and also by making available the required trained personnel.

The availability of adequate and suitably trained personnel was considered a precondition for the development of an efficient system of institutional finance. It was felt that for some time to come most of the countries in the region would need special institutions for training co-operative personnel and that, in order to ensure a proper relationship between training schemes and actual execution of responsible duties, there should be sufficient emphasis on practical training. Moreover, adequate stipends ought to be granted to in-service trainees in order to overcome their reluctance to avail themselves of existing training facilities.

¹ See "Report of the Center on Agricultural Financing and Credit for Asia and the Far East", Lahore, Pakistan, 1-13 October 1956 (FAO Report No. 631, Rome, February 1957).

ECONOMIC SURVEY OF ASIA AND THE FAR EAST, 1956

Corrigendum

Page	Column	Para.	Table or Chart	Line	Footnote or Heading	Original	Correction
18	-	-	2	-	1956 First half (1955=100): India and ECAFE region	120, 115	120d, 115d
27	2	-	-	-	I	1955, 1954	1954, 1955
32	1	3	-	12	-	the first agreement	an agreement
33	1, 2	1	7	-	ECAFE countries: United States Economic Aid, 1 July 1955 to 30 June 1956	(Figures shown included development assistance and technical co-operation under ICA, but omitted U.S. economic assistance in the category "defense support"; figures shown in the "Correction" column include that category as well.)	Economic and technical co-operation under ICA: obligations and expenditures, respectively, in millions of \$: Afghanistan 18.3, 1.4; Burma -, .2; Cambodia 45.1, 26.2; Ceylon 5.0 -; China (Taiwan) 73.3, 96.5; India 60.4, 80.9; Indonesia 11.1, 7.4; Japan 1.0, .8; Korea, southern 324.6, 211.8; Laos 48.7, 36.6; Nepal 2.0, .9; Pakistan 106.7, 66.3; Philippines 29.1, 24.4; Thailand 34.5, 28.8; Viet-Nam, southern 195.7, 192.8; total 955.5, 771.0
36	-	-	7	-	-	1953=100	-
46	-	-	9	-	f	Three-Year Plan	Three-Year Plan
51	1	-	-	1	-	Special output targets	Specific output targets
76	1	4	-	2	-	deficit of Rs 54.7 million	surplus of Rs 54.7 million
77	1	3	-	8	-	Rs 170 million	Rs 157 million
81	2	2	-	5	-	total estimated expenditure	total expenditure
85	1	3	-	6	-	1953-1955	1952-1955
87	-	-	18	-	coal, crude, 1956	195	105
92	2	1	-	11	-	17.5 per cent projected	19.5 per cent proposed
95	2	2	-	5	-	about HK\$7 million in 1953 and 1954	HK\$79 million in 1953 and HK\$91 million in 1954
100	1	1	-	5,6,7,11,12	-	400, 320, 500, 40 and 18 percent	246, 237, 282, 51 and 35 percent
100	1	1	-	7,10	-	0.7 and 165 million tons	1.5 and 184 million tons
100	2	-	21	-	additional taxation	3,500	4,500
116	1	2	-	11	-	Rp 5.3 million	Rp 55.3 million
120	1	2	-	9	-	suspension of trade	decline of trade
121	-	-	15	-	-	Add, after title of chart, the following: (1950=100)	
125	1	-	-	12	-	This line should read as follows: "The Five-Year Plan covering the fiscal years"	
129	2	-	-	3	-	period of 1955	period of 1953
133	2	2	-	2-5	-	Amend to read: "in 1955, rose farther in 1956, the export volume being 200 tons in 1956 as compared with 150 tons in 1955"	
144	2	3	-	16-18	-	Amend to read: "In August the Bank established the rate of 145½ mohur to 100 Indian rupees for approved imports. However, owing to the"	
148	2	3	-	2	-	22 per cent	15 per cent
150	1	-	-	7	2	Sidderganj	Sidbirganj

ECONOMIC SURVEY OF ASIA AND THE FAR EAST, 1956 (*Cont'd*)

Corrigendum

Page	Column	Para. or Chart Table	Line	Footnote or Heading	Original	Correction
154	2	2	-	2	-	therefore
169	1	-	-	-	1	prior to 1954
177	-	-	A	15-16	b	Pakistan and Thailand
177	-	-	A	-	Iron ore: 1950-1951	1,211, 1,970
177	-	-	A	-	Coal: 1954	993
187	-	-	K	-	Brunei: Customs duties: Total: 1955	0.4
189	-	-	L	-	Brunei: Investment and loans and advances (net): 1951	12.9
189	-	-	L	-	Burma: Loans and advances: 1951/52	23
220	2	2	-	4, 8	-	1955
222	-	-	-	-	China (Mainland)— Viet-Nam (northern): Remarks	-
223	-	-	-	-	India-Viet-Nam (northern): Value of trade	tea products
223	-	-	-	-	Japan-Philippines: Period valid	1 Feb 1956-31 Jan 1957
224	-	-	-	-	Burma-Sweden: Value of trade	ery and equipment
225	-	-	-	-	China (Taiwan)— France: Method of payment	from 5 1956
226	-	-	-	-	China (Mainland)— Germany (eastern): Remarks	in addition to the trade agreement for 1956,
227	-	-	-	-	India-Austria: Remarks	Viet-Nam
233	-	-	-	-	Pakistan-United Kingdom: Remarks	20 April 1955
						29 April 1955

ASIAN ECONOMIC STATISTICS

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UNITS AND SYMBOLS EMPLOYED

Unless otherwise stated "tons" relate to metric tons, and "dollars" relate to United States dollars.

The following symbols have been used throughout:

* = average of six to eleven months.
 ‡ = 12 months beginning April of the year stated.
 † = 12 months ending September of the year stated.
 § = 12 months ending June of the year stated.
 I, II, III, and IV for quarters of years.

Mn = million.
 ... = not available.
 — = nil or negligible.
 r = revised figures from this issue.
 Figures in italics are provisional.

Substantial breaks in the homogeneity of a series are indicated either by a horizontal line across the column or by vertical double lines in a row of figures.

SOURCES

To ensure comparability, data compiled or published by the United Nations Statistical Office have been incorporated wherever feasible; material supplied by governments, publications of governments, of the United Nations specialized agencies and of international commodity study groups have been used as additional sources.

REGIONAL STATISTICS

1. REGIONAL STATISTICAL SERIES

	1950	1951	1952	1953	1954	1955	1956	1 9 5 6					
								I	II	III	Oct	Nov	Dec
AGRICULTURAL PRODUCTION^a													
Index of agricultural production (excluding mainland China) 1934-38=100													
All commodities	...	...	...	113	115	119	...	...	...	...	...	...	...
Food	...	...	...	115	116	119	...	...	...	...	...	...	...
Cereals	...	...	...	113	111	116	...	...	...	...	...	...	...
Cereals (Mn tons)	101.7	107.6	120.6	119.4	121.0	...	...	...	...	...	...	...	...
Rice (milled)	64.4	68.0	75.6	70.8	75.9	...	...	...	...	...	...	...	...
Wheat	13.8	12.6	13.5	15.6	15.9	...	...	...	...	...	...	...	...
Maize	5.0	6.0	6.7	7.5	6.4	...	...	...	...	...	...	...	...
Millet and Sorghums	12.9	15.1	18.5	18.2	15.9	...	...	...	...	...	...	...	...
Starchy root crops (Mn tons)	25.9	28.6	30.4	31.9	33.3	...	...	...	...	...	...	...	...
Potatoes	5.3	5.5	5.7	5.5	5.1	...	...	...	...	...	...	...	...
Sweet potatoes and Yams	11.2	13.4	13.2	12.5	14.3	...	...	...	...	...	...	...	...
Cassava	9.4	9.7	11.1	12.3	11.8	...	...	...	...	...	...	...	...
Oilseeds (Mn tons)	...	...	...	...	...	...	...	...	...	...	...	...	...
Groundnuts (in shell)	...	...	...	4.0	4.8	4.5	...	...	...	...	...	...	...
Copra	...	...	...	2.2	2.3	...	...	...	...	...	...	...	...
Tea (Mn tons)	...	...	...	0.6	0.6	0.6	0.6	0.1	0.2	0.2	0.1	0.1	...
Tobacco (Mn tons)	...	...	...	0.6	0.7	0.7	...	...	...	...	...	...	...
Fibres (Mn tons)	...	...	...	...	...	...	...	...	...	...	...	...	...
Cotton (lint)	...	...	...	1.0	1.1	1.1	...	...	...	...	...	...	...
Jute	...	...	...	1.2	1.4	1.8	...	...	...	...	...	...	...
Natural Rubber ^a (Mn tons)	1.8	1.8	1.7	1.6	1.7	1.8	1.8	0.4	0.4	0.5	0.2	0.2	0.2
INDUSTRIAL PRODUCTION													
Provisional index of industrial production (1953=100) ^b	65	83	89	100	107	116	...	123	143	139	...	...	...
Mining	82	90	95	100	100	104	...	105	110	111	...	...	...
Manufacturing	63	82	88	100	108	118	...	126	147	142	...	...	...
Coal (Mn tons)	75.19	82.06	85.16	88.29	84.91	86.62	92.77	22.21	22.03	22.71	8.03	8.20	8.59
Iron Ore (1000 tons)	5,218	6,811	7,774	7,695	8,413	8,910	10,354	2,303	2,409	2,925	1,000	845	871
Tin in concentrates (1000 tons)	103.5	101.4	104.9	104.5	109.8	109.5	108.7	23.5	26.7	28.7	9.8	9.1	8.9
Petroleum, Crude (Mn tons)	11.14	13.10	14.26	15.83	16.37	17.90	...	4.59	4.83	4.82	...	...	...
Salt (1000 tons)	4,310	4,641	4,860	4,955	4,562	5,038	...	924	2,457	2,255	...	...	...
Sugar (1000 tons)	2,515	2,812	3,647	3,972	3,766	4,625	3,616	1,678	712	496	58	158	516
Cotton yarn (1000 tons)	816	981	1,076	1,219	1,346	1,380	1,487	349	365	379	128	128	137
Cotton fabrics (Mn metres)	4,980	5,980	6,606	7,545	8,153	8,188	8,822	2,065	2,221	2,255	750	744	786
Jute manufactures (1000 tons)	854	896	992	942	1,013	1,145	1,268	323	340	312	96	98	100
Paper and paper board (1000 tons)	706	1,333	1,525	1,946	2,136	2,478	2,858	658	700	727	258	255	259
Vegetable Oils (1000 tons)	740	785	839	879	969	1,084	1,150	280	286	295	96	92	101
Cement (Mn tons)	8.42	11.39	12.47	14.59	17.46	17.62	20.65	4.59	5.27	5.30	1.79	1.80	1.88
Steel (Ingots & metal for castings) (1000 tons)	6,313	8,040	8,615	9,234	9,520	11,207	12,954	3,041	3,143	3,302	1,097	1,176	1,195
Tin metal (1000 tons)	70.66	67.78	64.73	64.88	74.50	74.50	76.92	18.68	20.13	18.71	6.67	6.47	6.27
Electricity (1000 Mn kWh)	53.43	57.52	62.42	67.72	73.29	78.85	...	20.35	22.90	22.61	7.82	7.77	...
TRANSPORT													
Railway Traffic (1000 Mn)													
Passenger kilometre	148.2	147.7	152.8	157.5	163.5	170.9	...	43.7	47.9	44.8	...	...	...
Freight ton-kilometre	82.01	92.89	96.49	99.96	98.26	107.52	...	29.02	28.04	29.15	...	...	...
International sea-borne shipping (Mn tons)													
Freight loaded	22.24	25.77	29.63	34.91	36.72	40.25	...	10.33	10.51	10.50	3.43	...	...
Freight unloaded	32.44	46.51	50.49	62.01	64.49	70.19	...	18.68	19.91	20.99	7.89	...	...
EXTERNAL TRADE													
Total value (Mn dollars)													
Exports	6,746	9,737	7,654	6,898	7,247	8,326	...	2,179	2,109	2,104	...	...	...
Imports	5,963	9,440	9,294	8,460	8,216	8,624	...	2,425	2,563	2,582	...	...	...
Quantum index ^c (1953=100)	93	100	100	100	109	123	...	124	122	128	...	...	...
Exports	75	96	98	100	105	109	...	118	127	128	...	...	...
Imports													
Unit value index ^c (in dollars 1953=100)													
Exports	13	140	111	100	98	100	...	103	100	97	...	...	...
Imports	92	117	114	100	94	94	...	99	97	98	...	...	...
Terms of Trade ^c (1953=100)	112	119	98	100	104	106	...	105	103	99	...	...	...
Export of Primary Products ^d													
Quantum indexes (1953=100)													
General	92	101	98	100	101	108	...	113	102	102	...	...	...
Food	86	99	96	100	107	108	...	118	107	102	...	...	...
Agricultural materials	101	107	101	100	99	109	...	113	97	100	...	...	...
Mineral products	67	81	95	100	95	100	...	100	108	113	...	...	...

REGIONAL STATISTICS

1. REGIONAL STATISTICAL SERIES (Cont'd)

	1950	1951	1952	1953	1954	1955	1956	1 9 5 6					
								I	II	III	Oct	Nov	Dec
Unit value index (1953=100)													
General	112	148	117	100	100	108	...	116	110	110	...	...	...
Food	90	94	100	100	105	95	...	92	88	98	...	...	...
Agricultural materials	129	190	131	100	97	120	...	137	130	121	...	...	...
Mineral products	83	105	109	100	93	94	...	98	98	100	...	...	...
Quantity of exports (1000 tons)													
Food													
Fish: fresh or simply preserved	97	121	145	153	164	180	...	52	33	42	...	...	...
Rice and rice products	2,748	3,410	2,945	2,654	2,987	3,294	...	805	867	681	...	...	...
Sugar	1,031	857	1,255	1,755	1,604	1,689	1,632	565	413	282	71	122	176
Tea	368	432	394	436	459	408	458	114	97	114	46	43	46
Spices	53	49	62	59	74	80	...	21	19	25	...	...	...
Agricultural materials													
Hides and skins, raw	49	44	22	24	24	22	...	5	5	4	...	...	...
Oilseeds, oil nuts & oil kernels	1,262	1,518	1,205	1,086	1,285	1,275	...	287	331	410	...	...	...
Rubber, natural	1,751	1,756	1,692	1,611	1,688	1,782	1,693	389	399	434	145	167	153
Wood and lumber	700	1,024	1,270	1,680	1,986	2,375	...	607	619	745	...	...	...
Cotton, raw	254	260	313	354	186	276	...	106	59	32	...	...	...
Jute, raw	942	1,078	841	982	892	981	858	408	133	122	...	...	...
Hemp, raw	111	149	127	132	122	135	...	36	43	36	...	...	...
Vegetable oils, not essential	457	425	495	404	499	602	515	133	123	130	43	36	51
Mineral products													
Iron ore	1,237	2,044	3,152	3,728	3,540	4,399	5,636	1,093	1,439	1,648	643	460	353
Tin ore and concentrates	44	42	46	45	55	44	...	10	10	12	...	...	...
Manganese ore	823	1,162	1,463	1,593	1,006	936	712	223	155	153	57	34	89
Cool	1,048	2,451	2,729	2,201	2,063	1,562	1,923	437	466	596	110	133	182
Crude petroleum	3,768	4,974	5,670	6,963	7,083	8,219	...	2,186	2,638	2,378	...	...	...
Direction to trade (Mn dollars)													
Exports to:-													
ECAFE countries	2,432	3,522	2,964	2,562	2,539	2,657	...	716	721	...	...	...	...
Western Europe (incl. U.K.)	1,690	2,713	1,863	1,759	1,789	2,110	...	583	482	...	...	...	...
U.K.	696	1,249	840	744	845	1,002	...	276	223	...	...	...	...
U.S.A.	1,392	1,641	1,390	1,238	1,172	1,518	...	368	370	...	...	...	...
Sterling Area	2,574	4,006	2,851	2,339	2,691	2,934	...	750	684	...	...	...	...
Imports from:-													
ECAFE countries	2,217	3,364	3,072	2,742	2,639	3,008	...	863	856	...	...	...	...
Western Europe (incl. U.K.)	1,384	2,349	2,428	2,205	2,180	2,198	...	624	651	...	...	...	...
U.K.	720	1,029	1,073	930	902	951	...	281	282	...	...	...	...
U.S.A.	1,243	1,992	2,121	1,782	1,745	1,786	...	455	510	...	...	...	...
Sterling Area	2,140	2,954	2,914	2,674	2,380	2,615	...	751	771	...	...	...	...
GOLD AND FOREIGN EXCHANGE ASSETS (end of period, Mn dollars)	...	...	4,637	4,324	4,379	4,839 ^r	...	4,961 ^r	4,808 ^r	4,660 ^r	4,589	4,501	...

GENERAL NOTES: In general, the regional statistical series cover the countries of the ECAFE region except mainland China, Nepal and, in most of the cases, Afghanistan; in some cases, other countries have also been omitted because of lack of data. Except in the case of mainland China, countries omitted from the regional series are, from the point of view of the series, usually less important. To ensure comparability, the countries included in different periods for each series are the same.

a. Crop year beginning from the year stated. FAO source except rubber for which the International Rubber Study Group figures are used.

b. The index includes manufacturing and mining production only. The manufacturing index is computed as the arithmetic average of national indexes for China (Taiwan), India, Japan and the Philippines, weighted according to the net domestic product originated from manufacturing in the base year in terms of United States dollars. Income originating from manufacture in these four countries accounts for about 80 per cent of income from manufacture in the region as a whole, excluding mainland China. The mining index is an arithmetic average of national indexes for 12 countries, weighted by the net domestic product originated from mining in the base year. National indexes compiled by governments are used for China (Taiwan), India, Japan and the Philippines; special indexes compiled by the Secretariat based on the quantity of mineral production, weighted by base year prices, have been constructed for Brunei, Burma, Indonesia, southern Korea, Malaya, Pakistan and Thailand, the value added for each product not being available. The value of mineral products included in the regional index accounts for about two-thirds of income originating from mining in the region, excluding mainland China. The regional manufacturing and mining indexes have been combined to form the regional index of industrial production, weighted according to the net domestic product originating in the base year in these two sectors for countries for which such statistics are available.

c. The quantum indexes of exports and imports compiled by governments for Burma, Ceylon, China (Taiwan), India, Japan, Malaya and the Philippines are used as the basic material. The quantum indexes of Indonesia, Pakistan and Thailand are derived from the unit value indexes. These ten national indexes are combined to form the regional index with the dollar values of exports and imports in the base year 1953 as weights. Exports of the countries included in the index account for 88 per cent of total exports of the region, excluding mainland China, in the base year, and imports of the countries included in the index account for 85 per cent of total imports of the region, again excluding mainland China. Intra-regional trade is not deducted, and the index shows changes in the total quantum of trade of ECAFE countries, not of the region vis-à-vis other regions. The regional unit value indexes of exports and imports are derived from the regional quantum indexes and the total values of exports and imports of these ten countries in United States dollars.

d. Exports of 18 primary products and food from 16 countries (excluding Afghanistan, mainland China and Nepal) are included in the index. To minimize the effect of transit trade, only export of domestic produce is included for Hong Kong and net export of rubber is used for Malaya and Singapore. The quantity of exports of each item is totalled for 16 countries, and relatives with 1953 as the base have been computed. These quantity relatives have been then weighted by the total value of exports of each commodity in 16 countries in terms of United States dollars in 1953 to form the quantum index. The unit value index is derived by dividing the quantum index into the index of total value of exports in United States dollars. The commodities included in the index account for 44 per cent of the total value of exports from the 16 countries. If Hong Kong and Japan are excluded, the percentage is increased to 58.

PRODUCTION

2. INDEX NUMBERS OF PRODUCTION

1953=100^a

	Weight	1948 ^f	1953	1954	1955	1956	1955	1956					1957	
								IV	I	II	III	IV	Jan	Feb
CHINA (Taiwan)														
Industrial production ^b	100.0	32	100	105	115	117	135	129	130	132	140	...	...	...
Mining and quarrying	3.7	83	100	115	130	137	141	126	166	129	126	...	...	...
Coal	1.8	69	100	88	99	106	111	100	102	101	120	...	...	...
Manufacturing ^b	87.7	30	100	104	114	116	135	129	129	132	141	...	...	...
Food ^b	29.1	32	100	81	95	94	114	116	123	153	164	...	...	...
Textiles	14.6	10	100	121	120	112	125	107	115	112	113	...	...	...
Chemicals	8.1	39	100	114	122	132	132	115	138	139	137	...	...	...
Public utilities	8.6	47	100	112	119	132	128	130	128	131	138	...	...	...
Electricity	3.8	54	100	115	126	144	138	141	139	143	153	...	...	...
INDIA														
Industrial production	100.0	...	100	107	115	135	120	122	153	136	129	...	...	...
Mining	7.2	...	100	103	107	110	107	112	109	106	114	...	...	...
Manufacturing ^c	90.7	...	100	107	116	137	121	122	157	139	130	...	...	...
Food	11.8	...	100	96	115	206	134	119	357	203	147	...	...	...
Textiles	48.0	...	100	103	106	112	107	109	115	114	110	...	...	...
Rubber products	3.4	...	100	117	129	...	122	138	137	144	...	...	...	...
Chemicals	4.2	...	100	108	122	131	130	128	128	132	134	...	...	...
Non-metallic mineral products ^d	3.3	...	100	115	124	142	133	138	138	137	153	...	...	...
Basic metal industries	8.0	...	100	121	119	132	119	124	117	124	162	...	...	...
Non-electrical machinery	0.6	...	100	153	205	...	222	234	256	253	...	...	...	...
Electrical machinery	1.5	...	100	112	138	...	143	169	178	190	...	...	...	...
Transport equipment	2.9	...	100	113	171	236	188	210	225	254	253	...	...	...
Electricity	2.1	...	100	112	116	145	133	140	146	144	151	...	...	...
INDONESIA														
Export products	...	...	...	...	...	...	...	...	...	...	...	...	...	...
General ^e	63	100	108	109	...	...	...	...	...	...	...	...	...	...
Estate	60	100	100	99	...	...	...	...	...	...	...	...	...	...
Peasantry	66	100	123	117	...	...	...	...	...	...	...	...	...	...
Mining	64	100	105	111	...	...	...	...	...	...	...	...	...	...
Estate products of 7 items	...	61	100	99	94	...	93	93	...	...	...	...	...	...
JAPAN														
Industrial production	100.0	38	100	108	116	141	124	123	137	142	150	143	...	...
Manufacturing and mining	95.7	35	100	107	116	141	124	123	137	143	150	143	...	...
Mining	12.9	65	100	95	96	106	104	97	105	106	116	110	...	...
Manufactures	82.8	33	100	109	119	142	126	126	140	146	153	146	...	...
Non-durable	47.8	27	100	114	128	145	133	132	147	149	154	147	...	...
Textiles	17.1	29	100	107	112	131	117	116	128	136	143	126	...	...
Chemicals	16.7	24	100	123	147	170	153	156	179	170	175	178	...	...
Durable	35.0	36	100	102	106	136	115	117	131	143	153	146	...	...
Metals	12.9	22	100	105	119	145	128	130	145	148	157	159	...	...
Machinery and transport equipment	14.6	40	100	97	94	131	103	106	122	143	153	138	...	...
Public utilities	4.3	62	100	107	115	134	125	129	133	129	144	156	...	...
PHILIPPINES														
Manufacturing	100.0	...	100	112	124	...	132	135	142	148	...	...	...	...
Non-durable manufactures	69.7	...	100	106	118	...	130	125	129	126	...	...	...	...
Tobacco products	16.2	...	100	123	148	...	171	134	172	133	...	...	...	...
Textiles	8.5	...	100	97	78	...	80	123	105	107	...	...	...	...
Footwear and wearing apparel	7.5	...	100	105	111	...	110	86	76	72	...	...	...	...
Chemicals	19.4	...	100	106	123	...	132	128	127	145	...	...	...	...
Durable manufactures	30.3	...	100	125	134	...	136	157	171	194	...	...	...	...
Stone, clay and glass products (including cement)	36.1	...	100	98	95	...	105	120	98	108	...	...	...	...
Metal products	6.0	...	100	112	146	...	157	170	202	207	...	...	...	...
Electrical appliances	4.6	...	100	113	153	...	158	153	187	217	...	...	...	...

a. Original base: China, 1948; India, 1951; Indonesia, 1938; Japan, 1934-36 for 1948, 1950 since 1952; Philippines, 1952.

b. Sugar production is excluded from the monthly and quarterly index but included in the annual index. Weights relate to annual index.

c. Group index of manufacturing derived by ECAFE Secretariat.

d. Manufactures of non-metallic mineral products except products of petroleum and coal.

e. 18 products, including forest products (jungle wood and rattan).

f. For Indonesia, figures relate to 1949.

3. PRODUCTION OF SELECTED COMMODITIES
Monthly averages or calendar months

PRODUCTION
Thousand tons

	1938 ^a	1948	1953	1954	1955	1956	1955		1955-6				1957		
							IV	I	II	III	IV	Jan	Feb		
NATURAL RUBBER^a															
Cambodia	1.4	1.4	1.9	2.0	2.3	...	3.5	1.7	2.0	2.8	...	...	...	...
Ceylon	4.3	8.0	8.3	8.0	7.9	8.1	10.4	6.4	6.9	9.2	9.8	8.9	...	...
India	1.3	1.3	1.8	1.8	1.9	2.0	2.7	1.5	1.8	2.0	2.7	2.2	...	...
Indonesia	27.0	36.6	58.6	62.5	62.1	58.1	75.2	42.1	57.7	66.8	66.0	47.2	...	...
Malaya	30.4	59.1	48.6	49.5	54.1	53.1	57.3	54.7	48.9	54.2	54.7	64.5	...	...
Sarawak	1.5	3.4	2.0	2.0	3.3	3.4	3.4	3.7	3.7	3.1	3.3	3.2	...	...
Viet-Nam	3.6	2.3	4.2	4.3	4.5	4.9	6.4	3.3	4.6	5.2	6.7	...	...	...
COAL															
China (Taiwan)	183	138	199	177	197	211	221	199	203	201	240	...	...	...
India	2,400 ^b	2,551	3,046	3,123	3,236	3,343	3,242	3,358	3,297	3,272	3,447	3,686	...	...
Indonesia	121	45	75	75	68	69	69	72	70	74	60	...	...	...
Japan	3,484	2,810	3,878	3,560	3,535	3,880	3,835	3,534	3,876	3,826	4,283	4,068	...	...
Korea (southern)	19	67	72	74	109	151	130	147	151	143	165	176	...	...
Malaya ^b (Federation)	40	32	24	19	17	15	15	17	15	14	15	18	...	...
Pakistan ^c	...	20	49	47	46	...	36	61	52	52	...	...	...	...
IRON ORE^d															
Hong Kong	—	—	10	8	10	10	10	13	9	9	10	...	...	...
India	232	193	309	333	361	367	385	388	332	341	406	396	...	...
Japan ^e	51 ^s	47	128	136	130	159	139	117	153	186	180	153	...	...
Korea (southern)	—	—	2	3	2	5	3	4	5	7	5	6	...	...
Malaya (Federation)	137	—	90	103	124	207	105	119	205	293	210	229	...	...
Philippines	77	18	101	119	121	110	128	99	139	117	...	...	...	...
TIN CONCENTRATES (tons)															
Burma	419	97	80	80	78	80	75	75	80	80	80	...	...	...
China	906	406	525	625	700	700	700	700	700	700	700	...	...	...
Indonesia	2,517	2,592	2,864	3,036	2,825	2,545	2,679	2,091	2,384	3,010	2,695	2,020	...	...
Japan	...	10	62	61	76	78	80	75	79	80	80	71	...	...
Laos & Viet-Nam	135	3	22	9	21	20	21	20	20	20	20	20	...	...
Malaya (Federation)	3,673	3,794	4,763	5,139	5,186	5,274	5,201	5,227	5,398	5,209	5,264	5,600	4,335	...	
Thailand	1,255	359	885	828	933	1,056	1,046	1,005	933	1,158	1,129	1,121	1,033	...	
PETROLEUM, CRUDE^f															
Brunei	59	224	406	402	438	...	469	464	472	470	...	...	...	...
Burma	84	4	12	15	18	19	19	18	19	19	19	19	...	...
Indonesia	616	361	852	898	983	1,053	991	996	1,067	1,067	1,079	...	...	...
Japan	29	13	25	25	27	26	27	26	26	26	26	27	...	...
Pakistan	—	5	20	22	23	...	24	24	23	24	24	...	...	...
Sarawak	17	4	4	6	5	...	5	2	2	2	2	...	...	...
SALT															
China (Taiwan)	...	30.5	13.5	30.7	35.1	27.3	35.6	22.8	57.3	10.6	11.2	...	...	...
India	197.6	268.5	229.9	252.2	276.9	59.2	234.3	670.9	145.5	56.8	...	...	...	...
Indonesia	6.2	29.7	22.3	10.9	3.8	...	15.4	—	3.0	...	...	...	...	...
Japan ^g	43.2	24.3	38.4	35.4	46.1	52.3	57.4	39.7	41.1	70.4	57.7	53.3	...	...
Korea (southern)	—	—	16.1	15.0	29.5	16.4	23.6	0.1	24.6	33.5	7.4	—	...	...
SUGAR^h															
China (Taiwan)	...	24.6	76.7	53.5	66.9	64.6	62.7	184.9	8.1	—	65.5	...	...	...
India	91.0	109.3	85.3	135.0	165.1	117.6	353.4	149.5	6.6	150.8	...	...	...	...
Indonesia	...	51.6	59.8	71.4	63.7	30.4	—	74.2	158.5	22.2	...	...	...	...
Pakistan	...	0.8*	7.3	6.4	8.0	7.9	8.9	20.8	5.4	—	4.1	...	...	...
Philippines	...	30.1	85.7	108.4	103.7	...	...	...	...	...	...	...	...	...
TEA															
Ceylon	9.3	11.3	13.0	13.9	14.4	14.2	14.4	12.8	18.0	10.6	15.5	13.7	13.6	...	
China (Taiwan)	...	0.9	1.4	1.6	1.1	1.0	0.6	0.2	1.9	1.3	0.8	...	...	...
India	21.5	23.0	24.1	25.0	25.1	29.3	3.5	3.5	25.3	45.4	26.1	...	...	...
Indonesia	—	—	3.1	3.9	3.6	3.5	3.7	3.5	3.5	3.2	4.0	3.9	...	...
Pakistan	—	2.2*	2.1	2.1	2.0	2.1	2.9	0.2	2.0	3.7	2.7	0.1	...	...
COTTON YARN															
China (Taiwan)	—	—	1.6	1.9	2.1	2.0	2.2	2.0	2.1	2.0	2.1	...	...	...
Hong Kong	—	—	2.7	3.3	3.5	3.8	3.8	3.8	4.0	3.6	3.6	3.6	...	...
India	49.31 ^s	55.0	56.8	58.9	62.1	63.2	64.9	60.3	61.0	65.3	66.1	...	...	...
Japan	54.5	10.4	34.5	38.7	34.9	41.1	33.9	36.5	41.1	42.0	44.7	39.5	...	...
Korea (southern)	—	0.5	1.1	1.8	2.2	2.6	2.0	2.4	2.3	2.3	3.2	3.6	...	...
Pakistan	—	0.2	4.5	7.3	10.4	—	12.0	11.4	11.1	10.9	—	—	...	...
COTTON FABRICS (Mn metres)															
Ceylon (Mn sq. metres)	0.6	0.5	0.6	0.4	0.4	...	0.3	0.7	...	...	...	...	...	...
China (Taiwan)	—	1.0	10.9	13.8	13.6	11.4	14.0	10.9	11.8	11.8	11.3	...	...	...
India	325.1 ^s	337	374	382	390	404	398	384	404	418	412	...	...	...
Indonesia	—	—	3.6	3.8	4.2	—	4.3	4.5	4.1	4.3	...	...	...	...
Japan (Mn sq. metres)	244	64	196	222	210	242	211	219	250	243	256	236	...	...
Korea (southern, Mn sq. metres)	—	2.4	6.0	8.0	8.4	10.2	8.3	9.8	9.4	9.3	12.4	...	...	...
Pakistan	—	6.7	19.2	26.5	34.5	—	40.4	37.6	34.6	38.1	—	...	...	...
Philippines	—	0.6	0.9	1.5	0.9	—	0.9	1.0	1.4	1.7	—	...	...	...
JUTE MANUFACTURES															
China (Taiwan) (Gunny bag, 1,000 pcs)	—	228	701	754	898	1,050	1,121	1,032	1,107	992	1,190	...	...	...
India	—	92.2	73.6	78.6	87.0	92.5	90.3	95.2	99.7	90.8	84.4	...	...	...
Pakistan	—	—	4.2†	4.5	7.5	—	8.1	11.6	12.3	12.0	—	...	...	...
PAPER															
China (Taiwan)	—	0.8	2.0	2.5	2.8	3.6	3.3	3.5	3.6	3.5	3.7	...	...	...
India	—	4.3	8.1	8.7	10.1	10.4	10.4	9.9	10.2	10.7	10.8	...	...	...
Japan ⁱ	88.1	35.3	146.8	160.1	183.6	214.0	196.4	195.7	209.8	218.0	232.7	225.2	...	...
Korea (southern)	—	—	0.8	1.5	1.7	2.0	1.6	1.9	1.9	2.1	1.9	...	...	...
Pakistan	—	—	—	—	1.1	1.4	1.0	1.5	1.2	1.5	1.5	...	...	...

3. PRODUCTION OF SELECTED COMMODITIES (Cont'd)

Monthly averages or calendar months

Thousand tons

	1938 ^a	1948	1953	1954	1955	1956	1955	1956				1957	
							IV	I	II	III	IV	Jan	Feb
VEGETABLE OILS													
China (Taiwan): Edible oil	0.1	0.8	0.7	0.8	0.9	0.7	0.7	0.6	1.1	1.0	...	...	...
India: Edible Oil (Vanaspatti)	11.0	16.2	19.5	22.1	21.6	22.3	24.8	22.2	19.4	20.1	...	...	...
Indonesia: Palm oil	...	13.4	14.1	13.8	13.7	15.2	12.1	13.1	15.0	14.7	10.6	...	...
Japan: Coconut oil	1.4 ^b	1.1	1.2	1.6	2.3	2.0	2.3	1.6	2.0	2.1	2.0	2.3	...
Others	9.2 ^b	2.0	8.8	9.0	13.0	15.0	13.8	14.4	13.6	15.6	16.2	14.8	...
Malaya: Coconut oil	...	7.7	8.0	11.4	10.9	12.5	11.6	11.1	11.7	13.9	13.5	11.7	...
Palm oil	...	3.8	4.2	4.6	4.8	4.7	5.0	4.0	4.7	5.2	5.0	3.6	...
Pakistan: Vegetable oil	...	—	0.9	0.9	1.2	...	1.3	1.6	1.3	1.3	...	...	...
Philippines: Coconut oil	17.8 ^t	7.7	11.8	12.2	13.3	...	...	...	...	...	...	...	...
PETROLEUM PRODUCTS^j													
Burma	...	1.8	8.3	10.2	11.1	11.4	12.3	10.5	11.4	11.8	12.0	...	...
China (Taiwan, 1,000 Kl.)	19.5	27.0	37.0	51.0	52.8	58.8	62.7	45.9	54.8	47.2	...	...	...
Indonesia	510.1	...	808.2	825.8	863.9	...	860.3	809.5	858.2	842.4	...	...	...
Japan (1,000 Kl.)	144.2	14.8	505.6	616.7	717.8	984.1	871.7	899.7	930.2	994.5	1,111.9	1,062.7	...
Pakistan	...	0.7	5.4	6.2	6.3	...	6.8	7.2	6.1	6.2	...	...	...
CEMENT													
Burma	4.9	...	3.5	4.9	5.0	3.2	5.3	3.9	3.7	3.9	1.3	...	...
Ceylon	...	...	5.5	7.0	7.1	7.1	8.2	7.7	5.7	8.1	6.7	...	...
China (Taiwan)	0.2	19.6	43.3	44.7	49.2	49.2	48.3	46.3	47.9	52.4	50.2	...	...
Hong Kong	...	4.4	5.3	8.4	9.7	10.1	10.1	11.3	10.6	10.1	8.2	4.7	10.1
India	119.0 ^s	131.0	320.0	372.0	372.6	418.0	409.2	415.2	418.5	403.9	434.2	...	...
Japan	473.6	154.9	730.7	889.6	879.7	1,085.3	922.0	899.5	1,121.4	1,152.8	1,167.6	1,019.4	...
Korea (southern)	...	1.9	3.7	5.1	4.7	3.7	4.1	2.5	6.7	3.2	2.4	...	...
Malaya (Federation)	...	...	2.7	7.2	9.1	8.7	9.6	8.9	7.9	8.8	9.0	9.4	...
Pakistan	...	27.4	50.5	57.0	57.8	65.4	55.6	60.0	62.6	59.8	79.2	...	...
Philippines	13.9	10.0	26.5	26.7	34.1	37.0	36.3	43.4	36.5	32.9	34.1	...	...
Thailand	7.7 ^b	6.9	24.0	31.9	32.2	33.1	29.4	32.5	36.8	31.4	31.8	34.5	19.9
STEEL (Ingots & metal for castings)													
China (Taiwan)	...	0.6	2.5	4.1	4.8	6.0	6.1	5.5	5.8	5.9	6.7	...	...
India	106.4	127.6	143.4	144.3	147.1	143.1	153.6	139.7	145.8	149.5	...	...	...
Japan	142.8	638.5	645.0	784.0	925.5	831.9	853.6	901.7	948.0	998.9	...	...	...
Pakistan	...	0.2	0.9	0.8	0.9	...	0.7	1.0	0.5	1.0	...	...	...
TIN METAL (tons): Malaya	5,456	4,209	5,284	6,025	5,980	6,203	5,643	6,016	6,508	6,034	6,255	6,784	...
CONSTRUCTION—NEW BUILDING													
Ceylon: Completed ^k (Floor area—1,000 sq. metres)	...	...	6.27	7.22	6.72	...	7.14	5.90	6.32	8.24	...	...	...
Residential	...	...	2.29	2.70	2.02	...	2.79	1.80	2.26	1.81	...	...	...
Non-residential	...	...	...	...	...	...	...	...	...	...	...	...	...
Hong Kong: Completed (Cost—1,000 HK dollars)	...	...	...	...	...	...	...	...	...	...	...	...	...
Residential	...	4,128	4,236	8,902	8,654	12,789	8,983	8,624	7,658	9,352	5,461	5,802	...
Industrial	...	564	671	862	815	963	1,139	744	436	944	2,196	914	...
Commercial	...	86	886	336	1,438	42	218	3,184	1,851	501	900	125	...
Others	...	1,828	1,807	1,845	2,197	1,519	3,454	2,290	1,018	2,024	2,833	1,080	...
Japan: Started (Floor area—1,000 sq. metres)	...	1,921	1,421	1,400	1,454	1,752	1,622	1,637	1,841	1,851	1,676	1,358	...
Residential	...	1,239	1,448	1,367	1,328	1,665	1,278	1,456	1,669	1,756	1,779	1,794	...
Korea, southern: Permits issued (Floor area—1,000 sq. metres)	...	...	...	...	...	...	...	...	...	...	...	...	...
Residential	...	...	...	...	...	...	...	...	...	...	...	...	...
Non-residential	...	...	...	...	...	...	...	...	...	...	...	...	...
Philippines: Permits issued (Manila) (Value—1,000 pesos)	...	...	...	...	...	...	...	...	...	...	...	...	...
Residential	3,539	1,573	850	1,295	1,596	1,527	1,822	1,775	1,091	1,695	...	...	...
Non-residential	2,370	2,339	1,620	1,857	2,298	2,258	2,356	1,756	2,231	2,849	...	...	...
Thailand: Permits issued (Bangkok) (Number of permits)	...	...	...	...	...	...	...	...	...	...	...	...	...
Residential	126	251	214	244	201	244	242	237	171	153	180	261	...
Non-residential	41	57	72	72	64	81	46	75	65	69	63	54	...
ELECTRICITY (Mn kWh)													
Cambodia	1	1	2	2	2	...	2	2	3	3	...	...	...
Ceylon	3	5	12	14	15	16	16	15	15	16	17	16	...
China (Taiwan)	...	70	130	150	164	187	180	183	181	186	200	...	...
Hong Kong	...	13	36	41	47	54	49	51	54	58	54	57	57
India	211 ^{su}	381	558	627	707	803	739	769	801	802	839	...	...
Japan	2,276	2,965	4,642	4,967	5,433	5,118	5,681	5,450	6,137	5,506	5,426	...	...
Korea (southern)	...	41	61	75	73	93	66	73	88	99	112	118	...
Malaya ^m (Federation)	...	...	64	73	79	83	82	81	82	84	87	...	...
Pakistan	...	11	34	41	51	...	57	60	66	...	...	...	...
Philippines (Manila)	12	30	52	58	65	76	69	72	74	78	83	86	...
Singapore	4	11	23	27	31	36	33	34	36	37	38	...	...
Thailand (Bangkok) ⁿ	3 ^b	4	8	13	16	...	16	17	18	19	...	...	...
Viet-Nam ^p	8	8	25	24	17	17	17	17	18	17	18	18	...

a. Including latex. b. Lignite. c. Including lignite.
d. Approximate metal content of ores as follows: Hong Kong, 45%
India, 65%; Japan and the Philippines, 55%; Malaya, 60%.

e. Including iron sand.

f. Specific gravity: Brunei, Burma, Pakistan and Sarawak, 0.84;
Indonesia, 0.85; Japan, 0.90.

g. Production in government licensed plants only.

h. Annual figures relate to calendar year for Pakistan, crop year for other countries.

i. Including paper board.

j. Comprising motor spirit, kerosene and diesel oil for Burmas; gasoline,
diesel oil, kerosene and fuel oil for China (Taiwan), motor spirit,

aviation spirit, kerosene, heavy oil, wax and paraffin, asphalt and cutback for Indonesia; gasoline, diesel oil, kerosene, fuel oil, gas oil, lubricating oil and others for Japan; motor spirit and kerosene for Pakistan.

k. Excluding buildings under building schemes.

l. Including electricity purchased from Singapore.

m. Consumption of electricity: Bangkok Electric Works and Sam Sen Power Station.

p. From July 1954, Southern Viet-Nam only.

q. 1936 for Japan, unless otherwise indicated.

s. Former British Provinces and Indian States.

t. 1937. u. 1939. v. December.

4. VOLUME OF TRAFFIC: RAILWAYS, SEA-BORNE SHIPPING AND CIVIL AVIATION
Monthly averages or calendar months

	1938 ^k	1948	1953	1954	1955	1956	1955	1956				1957							
							IV	I	II	III	IV	Jan	Feb						
RAILWAYS^a																			
Passenger-kilometres (Mn)																			
Burma ^j	59	40	47	57	...	...	66	71	80	65	82	72	...				
Cambodia	3	...	4	4	5	...	5	7	6	5	...	...	...			
China (Taiwan)	69	166	157	171	212	235	218	236	233	220	253	...	...				
India ^j	2,385	4,925	4,723	4,892	5,040	...	4,758	5,198	5,999	5,033	...	...	...			
Japan ^j	2,185	6,595	6,963	7,253	7,603	...	7,478	7,648	8,239	8,204	7,994	8,296	...						
Korea (southern) ^j	...	236	262	332	316	337	341	317	328	356	348	...	...				
Pakistan ^j	...	656	730	698	790	...	728	844	828	814	...	...	...			
Philippines ^j	36	26	32	35	37	...	40	42	59	45	...	...	...			
Thailand	25	109	191	196	167	155	136	179	168	134	140	161	192						
Viet-Nam ^b	71	...	8	|| 11	|| 31	32	29	34	34	33	27	...	...				
Freight ton-kilometres (Mn)																			
Burma ^j	95	52	35	44	53	...	51	52	48	47	49	48	...						
Cambodia	4	...	4	5	2	...	2	6	5	2	...	...	...			
China ^c (Taiwan)	71	52	108	113	137	141	140	138	145	126	155	...	...				
India ^j	2,968	3,040	4,002	4,159	4,595	...	4,658	5,156	4,595	5,031	...	...	...			
Japan ^j	1,305	2,109	3,368	3,277	3,500	...	3,844	3,432	3,741	3,768	4,134	3,595	...						
Korea (southern) ^j	...	87	229	160	179	189	187	174	197	195	189	...	...				
Malaya	22	26	31	32	33	...	33	38	37	37	...	...	...			
Pakistan ^j	...	319	472	450	419	...	463	583	484	421	...	...	...			
Philippines ^j	14	10	12	12	13	...	11	15	13	13	...	...	...			
Thailand	38	25	54	57	65	76	65	74	75	71	83	88	...						
Viet-Nam ^b	24	...	15	|| 12	|| 7	...	5	6	6	6	...	...	...			
INTERNATIONAL SEA-BORNE SHIPPING																			
Freight loaded (L) and unloaded (U) in external trade (1,000 tons)																			
Ceylon ^d	L	54	63	73	|| 92	88	82	95	85	65	86	92	165						
	U	109	141	182	|| 203	191	205	170	183	174	229	232	452						
China (Taiwan)	L	...	13	121	85	106	104	115	132	111	71	102	...						
	U	...	22	109	142	155	177	147	183	166	188	170	...						
Hong Kong	L	...	104	126	126	141	162	159	156	160	166	164	150						
	U	...	236	279	303	347	386	353	391	368	378	409	452						
Indonesia ^e	L	916	432	1,034	1,062	1,016	...	1,129	872	1,148	1,051	...	...				
	U	167	160	350	326	272	...	318	306	335	331	...	...				
Japan ^f	L	1,092	165	413	476	643	680	671	653	675	732	661	631						
	U	2,771	563	2,607	2,794	3,059	3,875	3,450	3,349	3,811	3,970	4,036	4,374						
Korea (southern)	L	...	3	12	9	8	...	7	8	11	14	...	...				
	U	...	3	95	82	171	...	141	61	53	74	...	...				
Pakistan ^j	L	...	...	109	101	124	...	164	176	86	89	143	...				
	U	...	...	293	218	236	...	252	303	270	355	415	...				
Philippines	L	257	...	375	442	483	...	503	510	469	468	...	...				
	U	194	...	283	251	280	...	280	276	326	311	...	...				
Singapore ^g	L	...	...	438	450	510	552	590	605	520	545	538	592				
	U	...	...	732	769	883	921	955	911	916	914	942	1,022				
Thailand (Bangkok)	L	...	...	143	138	161	164	151	143	153	156	203	252				
	U	...	...	107	108	116	126	117	127	120	123	134	136				
Viet-Nam (Saigon)	L	...	...	64	79	64	47	60	58	50	42	38	49				
	U	...	...	132	170	136	111	118	124	91	118	110	114				
Entrances (E) and clearances (C) of vessels with cargo in external trade (1,000 net registered tons)																			
Burma ^h	E	311	118	104	124	113	112	121	125	118	94	112	151						
	C	361	157	146	150	159	155	162	160	147	162	151	152						
India	E	760	646 [*]	750	753	806	829	810	875	781	821	841	...						
	C	793	567 [*]	885	800	702	737	642	854	722	676	695	...						
CIVIL AVIATIONⁱ																			
Passenger-kilometres (Mn)																			
Burma ^j	...	...	4.58	4.55	5.11	...	4.89	3.97	4.04	2.56	...	...	...			
Ceylon	...	0.36	1.67	0.77	0.79	...	0.78	0.81	0.86	...	...	...	...		
China (Taiwan)	...	...	3.12	3.64	3.85	...	4.63	3.60	...	...	...	...	...	
India	...	0.11 ^j	23.65	32.15	36.70	42.92	55.37	49.42	52.78	53.29	54.27	64.04	...						
Indonesia	...	8.49	14.03	15.01	19.95	...	20.50	22.47	...	...	...	...	...	
Japan	...	...	11.20	19.47	27.43	...	29.89	28.96	39.55	42.25	...	...	...			
Pakistan	...	...	3.46	4.98	9.21	...	9.06	9.69	11.14	12.29	...	...	...			
Philippines	...	0.21	14.57	18.97	10.84	10.08	11.68	10.42	10.58	12.87	10.60	12.67	13.67						
Thailand	...	0.93	2.60	3.35	4.14	5.09	4.81	4.62	5.26	4.54	5.95	5.15	5.44						
Freight ton-kilometres (1,000)																			
Burma ^j	...	...	127	181	112	...	114	131	109	96	...	...	...			
Ceylon	...	2	69	12	14	...	17	12	15	...	...	...	...		
China (Taiwan)	...	179	199	203	...	202	164	...	...	...	...	...	...
India	...	34 ^j	475	2,203	2,357	2,879	2,314	3,431	3,192	2,999	3,321	3,249	...						
Indonesia	...	389	620	621	662	728	713	752	751	709	702	...	...				
Japan	...	...	55	258	508	...	676	613	717	754	...	...	...			
Pakistan	...	...	153	147	214	...	254	177	240	282	...	...	...			
Philippines	...	540	778	398	347	294	362	276	280	271	348	386	...						
Thailand	...	1 ^j	17	140	151	107	112	103	104	112	127	130	145						

a. Railway traffic coverage: India and Pakistan, class I railways; Indonesia, postwar data relate to Federal area only; Japan, State Railways only; Philippines, Manila Railroad Company.
b. From August 1954, Southern Viet-Nam only.
c. Including service traffic.
d. 1938-53 port of Colombo only.
e. Beginning 1949 Federal area only.
f. Cargo carried by steel vessels only; excluding military goods.
g. Prior to 1953, excluding oil handled at Pulo Bukom and Pulo Sebarok.

h. Total number of entrances and clearances made during each voyage but excluding sailing vessels. Annual figures relate to 12 months ending September of postwar year stated.
i. Scheduled domestic and international routes.
j. Including non-revenue traffic.
k. Pre-war data relate to 1936 for Japan, 1939 for Malaya, and April 1938 to March 1939 for Burma and Thailand; pre-war figures for India include former British Provinces and Indian States for both railway traffic and sea-borne shipping.

EXTERNAL TRADE

5. VALUE OF EXPORTS AND IMPORTS AND BALANCE OF TRADE

Monthly averages or calendar months

Millions

	Ex-ports	Im-ports	Balance	Ex-ports	Im-ports	Balance	Ex-ports	Im-ports	Balance	Ex-ports	Im-ports	Balance	Ex-ports	Im-ports	Balance			
	BRUNEI (Malayan dollar)			BURMA (kyat)			CAMBODIA ^a (riel)			CEYLON (rupee)			CHINA (Taiwan) (NT dollar)					
1948	4.2	3.0	+ 1.2	63†	49†	+ 14	3	5	- 2	84	83	+ 1	..	..	..	ICA imports
1951	23.3	4.2	+ 19.1	83	55	+ 28	20	8	+ 12	159	130	+ 29	90	141	- 51	42		
1952	23.0	6.4	+ 16.6	105	76	+ 29	33	14	+ 19	125	142	- 17	122	211	- 89	64		
1953	23.5	9.5	+ 14.0	94	70	+ 24	161	124	+ 37	131	134	- 3	165	230	- 65	92		
1954	22.8	8.3	+ 14.5	100	81	+ 19	183	165	+ 18	151	116	+ 35	121	275	- 154	125		
1955	25.3	8.7	+ 16.6	90	71	+ 19	117	139	- 22	162	122	+ 40	160	262	- 102	127		
1956	...	...	...	...	78	...	103	165	- 62	144	135	+ 9	244	400	- 156	166
1955	IV	27.6	8.7	+ 18.9	89	68	+ 21	150	154	- 4	181	130	+ 51	160	245	- 85	105	
1956	I	27.2	9.5	+ 17.7	103	71	+ 32	80	172	- 92	136	127	+ 9	284	371	- 87	148	
	II	29.0	9.0	+ 20.0	93	79	+ 14	123	146	- 23	144	125	+ 19	260	428	- 168	184	
	III	77	72	+ 5	104	182	- 78	153	142	+ 11	177	370	- 193	169	
	IV	...	...	...	91	...	107	161	- 54	145	151	- 6	256	431	- 175	164
1957	Jan	...	...	...	...	...	...	...	...	...	...	...	373	530	- 157	110
	Feb	...	...	...	...	...	...	...	...	...	...	...	217	243	- 26	112
	INDIA ^b (rupee)			INDONESIA ^c (rupiah)			KOREA, ^d southern (hwan)			LAOS (kip)			HONG KONG (HK dollar)					
1948	381	485	- 104	87	102	- 15	6	7	- 1	..	..	..	134	173	- 39	Exports, domestic
1951	653	712	- 59	409	276	+ 133	38	102	- 64	4.7	11.1	- 6.4	372	408	- 36	...		
1952	516	674	- 158	888	900	- 12	162	587	- 425	6.5	27.7	- 21.2	243	316	- 73	...		
1953	443	481	- 38	798	726	+ 72	332	1,864	- 1,532	6.2	31.6	- 25.4	228	323	- 95	53		
1954	469	515	- 46	813	598	+ 215	556	2,315	- 1,759	2.8	47.0	- 44.2	202	266	- 84	57		
1955	504	540	- 36	885	574	+ 311	754	4,020	- 3,266	6.3	55.3	- 49.0	212	310	- 98	61		
1956	504	679	- 175	838	810	+ 28	1,056	2,953	- 1,897	8.9	107.6	- 98.7	268	381	- 113	65		
1955	IV	506	580	- 74	1,108	686	+ 422	856	4,097	- 3,241	9.4	76.7	- 67.3	239	335	- 96	65	
1956	I	549	676	- 127	730	803	- 73	925	3,357	- 2,432	8.5	108.9	- 100.4	260	369	- 109	66	
	II	438	639	- 201	821	867	- 46	1,296	3,028	- 1,732	7.9	98.8	- 90.9	291	410	- 119	69	
	III	474	700	- 226	856	779	+ 77	963	2,681	- 1,718	12.7	104.0	- 91.3	261	362	- 101	62	
	IV	553	701	- 148	942	1,037	2,745	- 1,708	6.5	118.8	- 112.3	266	386	- 120	64	
1957	Jan	...	...	...	...	...	...	...	...	...	...	...	306	478	- 172	75
	Feb	...	...	...	...	...	...	...	...	...	...	...	246	444	- 198	...
	MALAYA (Malayan dollar)			NORTH BORNEO (Malayan dollar)			PAKISTAN (rupee)			PHILIPPINES ^e (peso)			JAPAN (1,000 Mn yen)					
1948	147	149	- 2	2.5	2.1	+ 0.4	136	86	+ 50	53.0	97.6	- 44.6	4.3	5.0	- 0.7	Special procurement ^f		
1951	506	396	+ 110	9.6	5.9	+ 3.7	210	151	+ 59	68.3	81.7	- 13.4	40.7	61.4	- 20.7	10.6		
1952	326	323	+ 3	5.4	5.9	- 0.5	147	174	- 27	58.7	70.5	- 11.8	38.2	60.9	- 22.7	9.2		
1953	252	270	- 18	4.7	5.5	- 0.8	121	101	+ 20	67.3	76.2	- 8.9	38.2	72.3	- 34.1	13.3		
1954	259	262	- 3	6.4	6.2	+ 0.2	99	96	+ 3	67.5	80.4	- 12.9	48.9	72.0	- 23.1	7.2		
1955	346	318	+ 28	8.7	7.3	+ 1.4	125	90	+ 35	66.8	91.3	- 24.5	60.3	74.1	- 13.8	5.2		
1956	347	346	+ 1	...	...	...	135	139	- 4	75.2	84.4	- 9.2	75.0	96.9	- 21.9	5.0
1955	IV	373	329	+ 44	9.9	8.1	+ 1.8	158	102	+ 56	59.1	99.8	- 40.7	72.8	79.1	- 6.3	4.7	
1956	I	367	349	+ 18	9.5	7.6	+ 1.9	205	106	+ 99	72.1	73.6	- 1.5	67.1	83.1	- 16.0	3.0	
	II	328	345	- 17	8.9	9.7	- 0.8	114	110 ^r	+ 4 ^r	78.0	88.1	- 10.1	72.1	96.9	- 24.8	5.9	
	III	339	342	- 3	11.2	11.1	+ 0.1	96	141	- 45	72.2	87.0	- 14.8	74.3	99.0	- 24.7	7.1	
	IV	355	347	+ 8	123	200	- 77	78.4	89.0	- 10.6	86.6	108.6	- 22.0	3.9	
1957	Jan	394	410	- 16	...	...	...	...	...	...	...	...	60.8	118.1	- 57.3	6.0
	Feb	326	370	- 44	...	...	...	...	...	...	...	...	...	...	...	...
	SARAWAK (Malayan dollar)			THAILAND (baht)			VIET-NAM ^g (piastre)			GENERAL NOTES: Special trade system for Cambodia, China, Indonesia, Korea, Laos, North Borneo, Sarawak and Viet-Nam; general trade system for other countries. Figures on imports include aid unless otherwise specified.								
1948	14.3	8.2	+ 6.1	173	146	+ 27	94	189	- 95	b. Prior to 1953, excluding trade with Laos and Viet-Nam.								
1951	42.4	32.0	+ 10.4	373	270	+ 103	211	510	- 299	c. For 1948, sea-borne and air-borne trade relates to Apr-Dec only; overland trade, twelve months commencing Apr. 1948. Up to 1951, imports exclude special imports of grain, pulse and flour.								
1952	36.5	31.9	+ 4.6	487	427	+ 60	164	752	- 588	d. For 1948, Federal areas only. From 13 Mar. 1950 to 2 Feb. 1952 inclusive, excluding value of exchange certificates. For 1 Jan-3 Feb 1952, import and export values are based on 3 times the official exchange rate and from 4 Feb. 1952 onwards they are based on official exchange rate of the Bank Indonesia.								
1953	35.4	32.9	+ 2.5	492	514	- 22	157	883	- 726	e. For exports: Up to Mar. 1951, valued f.o.b.; from Apr. 1951 valuation based on domestic market prices. For imports: excluding Government imports, military supplies and various aid goods; up to Mar. 1951, valued c.i.f.; from Apr. 1951 valuation based on local market prices excluding distributive margins and net of import duties and excise.								
1954	35.5	33.2	+ 2.3	515	556	- 41	164	946	- 782	f. Not included in trade statistics.								
1955	39.8	36.8	+ 3.0	597	600	- 3	201	768	- 567	g. Prior to January 1955, excluding trade with Cambodia and Laos but including transit trade of these countries with other countries through Viet-Nam. Beginning June 1955, trade of Republic of Viet-Nam only.								
1956	578	624	- 46	122	614	- 492									
1955	IV	42.3	39.8	+ 2.5	595	736	- 141	213	886	- 673								
1956	I	40.9	37.4	+ 3.5	572	637	- 65	149	654	- 505								
	II	41.4	38.4	+ 3.0	537	618	- 81	62	564	- 502								
	III	530	612	- 82	156	613	- 457								
	IV	673	633	+ 40	123	627	- 504								
1957	Jan	166	549	- 383								
	Feb								

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1. All
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6. DIRECTION OF INTERNATIONAL TRADE

EXTERNAL TRADE

Quarterly averages or quarters

Million dollars

EXTERNAL TRADE

6. DIRECTION OF INTERNATIONAL TRADE (Cont'd)

Quarterly averages or quarters

Million dollars

TRADE WITH	Year and Quarter	INDIA ^{d,e}		INDONESIA ^f		JAPAN		KOREA, Southern ^g		LAOS	
		Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports ^h	Exports	Imports
1. All countries	1948	342.8	507.4	98.7	116.2	64.6	170.6	...	17.4	...	...
	1951	411.4	448.2	322.9	218.3	338.6	498.8	2.8	...	...	...
	1952	324.9	423.8	233.6	237.0	318.2	507.0	6.9	13.4	...	...
	1953	278.0	300.2	210.0	191.2	318.7	602.4	9.9	38.4	...	...
	1954	295.6	323.8	214.0	157.3	407.3	599.8	6.1	23.5	...	...
	1955	318.0	340.2	232.8	151.0	502.7	617.9	4.5	25.9	0.5	4.7
	1956	312.8	427.2	220.5	213.3	623.8	807.4	...	...	...	...
	1955 IV	338.8	372.1	290.7	180.2	606.5	657.9	5.1	29.1	0.8	6.1
	1956 I	327.5	423.2	192.2	211.2	554.2	692.3	5.5	18.5	0.7	9.3
	II	276.4	404.1	216.0	228.1	599.6	807.4	7.7	15.4	0.7	8.2
2. ECAFE Countries ^a (including Japan)	1956 III	299.1	423.8	224.1	204.0	618.8	824.8	...	...	1.1	8.9
	IV	348.0	457.7	249.7	209.9	722.8	905.1	...	...	...	...
	1948	95.2	121.5	25.0	33.7	26.4	23.0	...	...	...	...
	1951	78.7	110.8	131.3	91.4	156.2	122.2	1.9	5.3	...	...
	1952	82.6	67.9	77.6	93.6	143.1	129.2	1.9	8.2	...	...
3. Japan	1953	53.3	40.4	71.8	78.2	139.1	160.3	2.2	17.9	...	...
	1954	46.6	60.7	85.2	64.6	167.7	139.5	2.5	16.5	...	...
	1955	58.6	59.0	79.7	47.9	174.3	177.2	2.3	9.1	0.5	2.9
	1956	53.2	62.1	85.3	78.0	217.9	195.7	...	...	...	...
	1955 IV	68.0	65.5	112.8	68.0	215.1	182.9	2.2	13.8	0.8	4.4
	1956 I	63.2	60.1	68.9	93.0	201.5	190.4	2.2	5.7	0.7	6.3
	II	46.6	53.2	83.3	90.0	203.8	200.2	2.9	5.6	0.6	4.8
	III	47.8	63.6	87.4	74.2	212.5	184.3	...	...	0.9	4.9
	IV	53.4	68.4	101.2	52.3	253.6	194.6	...	...	...	...
	1948	3.4	4.8	2.4	18.0	—	—	...	...	...	...
4. Western Europe	1951	9.6	11.8	10.2	38.2	—	—	1.7	3.7	...	...
	1952	13.4	10.2	6.2	31.9	—	—	1.4	6.3	...	...
	1953	14.2	6.5	9.4	31.8	—	—	1.5	13.6	...	...
	1954	8.6	8.8	12.5	34.2	—	—	1.8	10.1	...	...
	1955	13.6	16.3	17.3	21.6	—	—	1.8	4.2	—	0.4
	1956	15.7	22.9	18.4	33.4	—	—	...	...	...	...
	1955 IV	19.2	27.6	28.1	22.1	—	—	1.7	5.8	—	0.7
	1956 I	19.8	19.7	17.9	34.9	—	—	1.6	1.7	—	1.7
	II	14.7	22.5	19.1	42.1	—	—	1.7	2.9	—	1.0
	III	13.5	21.8	14.5	32.9	—	—	...	...	—	1.2
5. United Kingdom	IV	14.7	27.5	22.2	23.5	—	—	...	...	...	...
	1948	106.8	159.5	43.6	41.7	6.8	4.9	...	...	...	...
	1951	147.8	133.8	112.2	70.6	35.4	40.1	—	0.4	...	...
	1952	98.9	128.7	74.2	83.5	44.1	34.4	—	0.6	...	...
	1953	102.7	127.8	74.2	65.2	28.9	50.8	0.1	—	...	...
	1954	122.2	144.2	71.6	52.0	36.9	49.2	0.1	1.8	...	...
	1955	125.8	156.2	77.7	58.8	48.0	49.6	0.3	5.9	—	1.5
	1956	130.2	218.1	80.3	75.3	61.7	57.5	...	...	...	...
	1955 IV	140.1	185.0	88.9	68.6	61.0	49.6	0.8	5.6	—	1.2
	1956 I	143.4	201.2	70.0	76.2	60.0	49.7	0.7	5.4	—	2.2
6. Eastern Europe	II	103.9	221.6	77.0	81.5	58.5	62.0	1.0	3.9	—	2.4
	III	123.6	229.3	85.8	79.9	60.5	61.1	...	...	—	2.7
	IV	150.0	220.2	89.6	63.8	68.7	57.5	...	...	...	...
	1948	74.2	115.6	2.0	10.8	4.2	1.3	...	...	...	...
7. Other countries	1951	103.9	78.6	20.1	14.0	13.5	8.0	—	0.1	...	...
	1952	66.4	79.8	6.4	17.0	18.3	9.2	—	—	...	...
	1953	78.5	74.2	4.4	13.5	8.3	12.2	0.1	—	...	...
	1954	93.1	79.2	9.8	8.5	12.8	9.3	0.1	0.4	...	...
	1955	87.9	83.9	23.1	8.7	15.2	9.5	—	1.1	—	0.1
	1956	96.7	109.1	19.6	12.9	15.8	16.6	...	...	...	...
	1955 IV	101.8	96.4	24.1	9.6	17.0	10.9	0.1	1.5	—	0.2
	1956 I	100.4	111.0	16.4	12.0	21.5	12.4	0.1	1.2	—	0.3
	II	77.6	109.6	20.3	16.0	19.4	16.2	0.3	0.4	—	0.3
	III	97.6	115.0	29.5	14.6	9.6	20.6	...	...	—	0.3
8. Total	IV	111.3	100.9	12.4	9.2	12.6	17.4	...	...	...	...
	1948	6.4	5.3	0.4	1.1	1.1	0.6	...	...	...	...
	1951	5.0	3.9	0.6	1.6	0.5	0.5	—	—	...	...
	1952	1.9	2.7	2.4	1.6	0.6	0.7	—	—	...	...
	1953	1.8	2.0	1.1	1.4	1.0	1.4	—	—	...	...
9. Total	1954	2.8	4.0	1.8	3.3	1.3	1.1	—	—	...	...
	1955	2.4	5.5	7.0	8.3	4.8	1.1	—	—	...	...
	1956	9.4	15.4	3.1	3.3	1.0	1.1	—	—	...	...
	1955 IV	3.0	8.9	8.5	3.8	1.8	1.7	—	—	...	...
	1956 I	5.0	13.5	7.3	4.0	1.3	0.9	—	—	...	...
	II	7.4	14.2	2.5	2.9	1.0	0.6	—	—	...	...
	III	8.1	14.3	1.3	3.8	0.8	1.1	—	—	...	...
	IV	16.9	19.5	1.3	2.5	0.9	1.8	—	—	...	...

6. DIRECTION OF INTERNATIONAL TRADE (Cont'd)

EXTERNAL TRADE

Quarterly averages or quarters

Million dollars

TRADE WITH	Year and Quarter	MALAYA		PAKISTAN ^{d,i}		PHILIPPINES		THAILAND ^e		VIET-NAM ^k	
		Exports	Imports	Exports	Imports	Exports	Imports ^j	Exports	Imports	Exports	Imports
1. All countries	1948	203.2	210.4	154.6	101.4	79.4	146.5	51.4	30.0	...	...
	1951	496.3	388.4	190.9	133.7	102.4	122.5	117.2	62.5	...	...
	1952	320.0	316.3	133.1	152.4	88.0	105.8	101.2	77.3	...	...
	1953	246.6	263.6	109.7	87.5	101.0	114.2	87.1	75.8	...	...
	1954	254.0	256.4	89.7	81.2	101.3	120.7	72.6	67.2	...	...
	1955	339.5	312.2	100.2	72.3	98.8	139.0	90.2	74.4	17.2	65.8
	1956	440.2	339.2	84.8	77.8	109.2	126.6	...	...	10.6	50.1
	1955 IV	366.1	322.9	99.8	64.9	92.5	158.0	100.4	91.1	18.3	75.9
	I	359.2	341.7	128.9	66.5	95.1	110.4	83.3	95.6	12.8	56.1
	II	321.4	338.3	72.3	66.7	116.0	132.1	77.5	89.7	5.3	48.3
2. ECAFE Countries ^a (including Japan)	III	332.2	335.6	60.9	90.9	108.3	130.5	76.6	88.5	13.4	52.6
	IV	348.1	341.2	77.2	87.3	117.6	133.4	...	...	10.9	43.5
3. Japan	1948	49.8	96.9	99.6	56.7	7.2	14.9	33.4	19.1	...	...
	1951	118.0	242.0	85.0	49.5	9.0	19.3	71.7	22.6	...	...
	1952	91.3	181.6	61.0	57.7	10.8	14.7	70.9	37.5	...	...
	1953	77.2	153.0	36.9	11.9	13.4	11.7	63.5	35.0	...	...
	1954	73.4	147.5	26.4	15.4	14.4	17.6	50.2	32.3	...	...
	1955	86.6	190.1	36.7	15.7	16.3	25.5	53.8	36.2	5.6	17.4
	1956	102.6	199.5	30.0	11.2	21.6	26.0	...	...	1.2	17.3
	1955 IV	92.6	201.1	26.8	9.5	14.6	27.4	52.1	47.6	3.6	32.5
	I	106.4	206.5	37.8	15.3	14.2	22.6	47.3	46.9	1.1	18.3
	II	96.3	193.5	32.8	9.1	21.7	26.9	50.8	43.6	0.8	17.9
4. Western Europe	III	99.9	191.9	25.8	8.9	24.5	25.5	47.9	41.3	1.3	15.6
	IV	107.9	206.2	23.7	11.4	26.1	28.8	...	...	1.4	17.4
5. United Kingdom	1948	2.3	1.6	0.9	0.7	3.9	0.5	—	1.3	...	...
	1951	12.8	19.9	19.2	19.5	7.5	8.2	13.2	11.3	...	...
	1952	12.6	20.4	22.0	27.9	9.6	4.6	15.6	9.1	...	...
	1953	12.8	10.5	21.4	4.5	12.0	5.1	21.2	13.1	...	...
	1954	13.5	12.0	7.8	8.7	12.6	7.3	17.3	16.3	...	...
	1955	23.6	19.4	11.6	10.2	14.8	10.8	15.8	15.8	0.4	8.8
	1956	27.4	21.0	10.7	5.4	19.2	12.8	...	...	—	12.1
	1955 IV	27.2	19.2	9.8	4.0	12.8	11.3	4.9	23.4	0.2	20.7
	I	26.4	22.1	13.6	11.3	13.2	11.5	3.3	12.4	—	12.9
	II	25.6	23.6	11.1	3.6	18.4	13.0	11.6	8.8	—	13.1
6. Eastern Europe	III	28.6	17.9	9.7	2.7	22.0	13.2	10.9	17.5	—	11.1
	IV	29.0	20.2	8.3	3.8	23.2	13.6	...	...	—	11.3
7. Other countries	1948	58.6	49.6	33.4	26.6	13.2	4.8	3.6	5.5	...	...
	1951	185.6	100.1	77.3	47.4	22.1	7.0	8.3	18.2	...	...
	1952	120.7	90.7	49.2	52.5	13.1	5.9	3.7	23.2	...	...
	1953	81.7	72.9	53.6	25.4	13.8	5.8	3.3	24.7	...	...
	1954	89.4	72.4	43.4	39.2	20.2	10.7	6.4	22.6	...	...
	1955	136.6	82.2	42.1	31.2	17.6	12.4	7.4	24.2	5.9	35.2
	1956	128.3	92.2	38.4	30.0	22.6	16.0	...	...	7.4	17.4
	1955 IV	152.0	85.8	47.8	25.7	20.8	13.1	7.3	29.0	9.9	24.4
	I	143.6	90.8	66.8	31.5	19.0	13.7	8.6	31.1	8.7	22.9
	II	115.0	92.2	25.0	25.3	24.0	17.9	8.3	28.8	4.3	13.7
8. Other countries	III	122.4	97.9	22.1	30.3	23.6	17.3	8.4	29.0	9.6	20.9
	IV	132.2	88.1	39.8	33.1	23.8	15.3	...	...	7.2	12.2
	1948	28.2	40.5	13.4	20.4	0.8	1.3	1.2	2.8	...	...
9. Total	1951	99.3	64.4	23.9	27.6	3.2	1.6	2.1	8.0	...	...
	1952	66.6	66.9	17.0	30.9	1.4	1.2	0.7	10.1	...	...
	1953	39.6	53.5	21.1	14.4	1.3	1.1	0.6	10.0	...	...
	1954	36.9	49.1	17.4	23.2	1.2	2.3	1.8	8.1	...	...
	1955	62.2	56.4	15.2	17.6	1.4	3.2	1.8	8.6	0.4	1.1
	1956	56.2	61.8	13.4	14.8	1.7	3.8	...	...	0.1	0.9
	1955 IV	76.0	59.6	16.0	16.1	1.2	3.4	1.7	9.5	0.4	1.8
	I	71.9	62.9	21.2	13.6	1.3	3.3	2.9	11.6	—	1.3
	II	43.2	60.8	8.6	12.7	2.3	4.3	2.5	10.1	—	0.5
	III	57.8	63.4	8.7	16.3	1.8	3.9	3.2	10.9	0.3	1.0
10. Total	IV	51.8	60.1	15.2	16.4	1.3	3.8	...	...	—	0.7
11. Total	1948	14.5	1.6	6.2	1.1	2.0	0.1	—	0.3	—	...
	1951	17.2	1.5	8.1	2.2	—	—	—	0.1	...	...
	1952	8.3	0.9	9.0	1.8	—	0.1	—	0.1	...	...
	1953	4.2	1.6	3.2	0.4	—	—	—	0.1	...	...
	1954	4.0	1.1	2.0	0.7	—	0.1	—	—	...	...
	1955	4.8	1.0	1.8	0.4	—	—	—	—	—	...
	1956	11.0	1.3	1.3	0.4	—	—	—	—	—	0.1
	1955 IV	7.2	0.8	0.8	0.2	—	—	—	—	—	—
	I	10.0	1.4	1.6	0.5	—	—	—	0.6	—	0.1
	II	13.5	1.8	1.6	0.3	—	—	—	0.5	—	—
12. Total	III	11.5	1.2	1.2	0.4	—	—	—	0.6	—	0.1
	IV	8.9	0.9	0.9	0.4	—	0.1	—	—	—	0.1

EXTERNAL TRADE

6. DIRECTION OF INTERNATIONAL TRADE (Cont'd)

Quarterly averages or quarters

Million dollars

TRADE WITH	Year and Quarter	BURMA ^b		CAMBODIA		CEYLON		CHINA (Taiwan)		HONG KONG	
		Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports ^c	Exports	Imports
7. North America	1948	0.6	1.7	...	...	16.0	6.4	...	...	11.1	26.7
	1951	0.2	0.9	...	...	14.8	5.3	1.5	12.4	7.8	20.2
	1952	0.6	2.6	...	...	12.2	9.9	1.1	6.8	5.8	13.1
	1953	1.1	1.8	...	...	10.8	3.6	1.4	19.4	4.3	12.5
	1954	0.3	2.1	...	...	10.2	2.6	1.3	25.3	5.0	14.8
	1955	0.3	1.4	2.6	0.6	14.4	3.2	1.4	24.6	6.4	16.3
	1956	...	1.4	...	...	12.6	3.0	1.7	20.4	6.4	20.6
	1955 IV	0.5	1.6	3.0	0.9	14.5	2.8	2.1	19.0	7.3	14.4
	1956 I	0.8	1.4	2.5	1.0	13.2	3.1	1.6	17.5	7.4	15.2
	II	0.5	1.4	1.8	1.8	11.3	3.3	1.7	21.7	7.2	22.9
8. United States of America	III	0.2	1.3	2.5	1.5	14.3	2.9	1.8	23.1	7.3	20.8
	IV	...	1.7	...	...	11.7	2.6	1.7	19.2	7.6	23.4
9. Latin American Republics	1948	0.6	1.6	...	...	12.6	5.7	...	...	10.6	24.4
	1951	0.2	0.8	...	...	10.5	4.3	1.5	12.4	7.1	16.3
	1952	0.6	2.5	...	...	8.3	7.8	1.1	6.8	5.0	9.6
	1953	1.1	1.8	...	...	6.4	2.7	1.4	19.4	3.3	9.9
	1954	0.3	2.1	...	...	6.2	1.9	1.3	25.3	4.1	12.4
	1955	0.3	1.3	2.6	0.6	9.3	2.4	1.4	24.6	5.2	14.3
	1956	...	1.4	...	...	7.4	2.1	1.7	20.2	5.1	18.5
	1955 IV	0.5	1.4	3.0	0.9	9.1	2.1	2.1	19.0	6.1	12.5
	1956 I	0.8	1.4	2.5	1.0	8.7	2.4	1.6	17.5	5.6	13.1
	II	0.5	1.4	1.8	1.8	6.4	1.7	1.7	21.7	6.3	21.1
	III	0.2	1.2	2.5	1.5	7.7	2.3	1.7	22.9	6.1	18.8
	IV	...	1.7	...	...	6.6	2.0	1.7	19.0	6.4	21.4
10. Oceania	1948	0.2	—	...	...	1.2	1.2	...	...	0.1	—
	1951	—	—	...	...	1.1	—	0.5	—	—	—
	1952	—	—	...	...	0.7	0.1	—	—	—	—
	1953	—	—	...	...	0.4	—	0.4	0.1	—	0.4
	1954	—	—	...	...	0.2	—	0.3	0.2	—	5.0
	1955	—	0.2	—	0.1	0.2	—	0.1	0.1	—	1.0
	1956	...	—	...	...	0.4	—	0.1	—	—	2.5
	1955 IV	—	—	—	—	0.3	—	0.3	0.3	—	0.8
	1956 I	—	—	—	—	0.3	—	—	—	—	1.7
	II	—	—	—	0.1	0.3	—	0.4	0.1	—	0.9
	III	—	—	—	—	0.7	—	—	—	0.2	6.3
	IV	—	—	—	—	0.3	—	0.1	—	0.1	1.0
11. Sterling Area	1948	—	1.4	...	...	8.3	10.8	...	...	1.7	4.2
	1951	—	0.8	...	...	9.0	6.5	1.1	0.5	3.5	4.0
	1952	—	0.9	...	...	5.8	6.5	0.8	0.3	0.9	2.4
	1953	—	1.1	...	...	8.7	9.2	0.2	0.6	2.1	2.5
	1954	—	1.0	...	...	11.2	5.6	0.1	0.6	3.0	2.8
	1955	—	1.3	...	...	10.1	4.6	—	0.2	3.6	3.7
	1956	—	1.6	...	...	7.2	5.0	—	0.2	5.2	4.8
	1955 IV	—	1.3	—	—	7.9	5.1	—	0.3	3.7	4.3
	1956 I	—	0.7	—	—	7.5	2.6	—	0.3	3.5	4.5
	II	—	1.8	—	—	6.5	5.0	—	0.4	3.9	4.5
	III	—	1.2	...	...	8.2	4.0	0.1	0.1	4.5	4.3
	IV	—	2.6	...	...	6.6	8.2	—	0.1	5.0	6.0
12. ECAFE Sterling Countries ^a	1948	49.5	36.5	...	...	41.1	53.8	...	...	27.0	36.3
	1951	32.9	22.4	...	...	51.2	57.3	7.9	4.8	62.1	68.0
	1952	43.0	32.2	...	...	38.1	57.0	8.7	5.9	32.0	44.8
	1953	34.0	28.2	...	...	39.1	53.5	8.3	6.4	32.2	45.4
	1954	38.8	28.1	...	...	52.6	42.6	5.7	4.3	36.2	36.6
	1955	27.4	23.4	1.6	2.8	48.4	45.0	5.0	2.5	42.5	42.4
	1956	...	19.6	...	...	43.9	46.5	8.3	3.2	44.8	46.6
	1955 IV	21.5	22.8	1.3	4.0	48.6	50.2	5.7	3.3	42.8	45.9
	1956 I	19.3	20.4	1.3	5.1	38.7	46.5	7.8	3.1	42.6	48.5
	II	15.0	16.8	2.1	3.1	46.9	45.8	8.5	3.4	46.7	49.7
	III	33.6	19.5	2.7	5.5	44.9	43.5	8.6	3.1	47.6	46.0
	IV	...	21.9	...	...	44.9	50.3	7.5	3.8	48.5	43.2

GENERAL NOTE: As complete breakdowns are not given, the sum of total trade of any individual country with different regions does not add up to the total given under trade with "all countries".

a. ECAFE countries comprise:

- i) Sterling countries—Burma, Ceylon, Hong Kong, India, Malaya, British Borneo and Pakistan.
- ii) Non-sterling countries—Afghanistan, Cambodia, China, Indonesia, Japan, Korea, Laos, Philippines, Thailand and Viet-Nam.

6. DIRECTION OF INTERNATIONAL TRADE (Cont'd)

EXTERNAL TRADE

Quarterly averages or quarters

Million dollars

dollar

NG

ports

26.7

20.2

13.1

12.5

14.8

16.3

20.6

14.4

15.2

22.9

20.8

23.4

24.4

16.3

9.6

9.9

12.4

14.3

18.5

12.5

13.1

21.1

18.8

21.4

—

—

—

0.4

5.0

1.0

2.5

0.8

1.7

6.3

1.0

4.2

4.0

2.4

2.5

2.8

3.7

19.5

4.8

4.3

4.5

4.5

4.3

6.0

36.3

58.0

44.8

45.4

36.6

42.4

46.6

19.5

19.5

19.7

16.0

13.2

10.5

32.3

18.0

18.5

14.3

16.2

16.7

17.1

20.2

20.6

13.8

2.1

TRADE WITH	Year and Quarter	INDIA ^{d,e}		INDONESIA ^f		JAPAN		KOREA, southern ^g		LAOS	
		Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports ^h	Exports	Imports
7. North America	1948	60.9	89.4	17.8	28.4	16.9	112.4	...	...	—	...
	1951	85.9	120.0	53.6	45.3	52.0	217.7	0.9	11.4	...	...
	1952	70.8	161.2	59.6	42.2	63.8	237.4	5.0	4.6	...	...
	1953	58.6	57.0	48.4	35.1	65.2	242.4	7.6	18.3	...	...
	1954	54.2	44.2	36.6	23.0	83.2	266.0	3.5	4.9	...	...
	1955	56.2	50.2	42.2	24.2	127.4	241.7	1.8	9.9	—	0.3
	1956	54.2	53.3	35.9	35.6	154.9	334.2	...	...	—	...
	1955 IV	54.4	55.8	62.4	26.9	156.5	253.5	2.2	8.2	—	0.4
	1956 I	54.5	52.7	33.1	25.4	130.7	269.6	2.7	6.9	—	0.7
	1956 II	55.1	49.8	36.1	31.8	155.0	318.1	3.9	5.1	0.1	0.8
8. United States of America	1956 III	53.9	52.4	35.8	33.8	166.9	330.0	...	...	0.2	0.8
	1956 IV	53.4	58.2	38.7	51.4	172.5	420.2	...	...	...	...
	1948	54.3	82.2	17.2	26.9	16.4	110.4	...	...	...	...
	1951	75.1	107.7	53.3	44.0	47.4	171.8	0.9	11.4	...	...
	1952	63.2	145.2	59.2	40.6	58.6	192.1	5.0	4.6	...	...
	1953	51.2	47.2	43.0	34.8	58.5	189.4	7.6	18.3	...	...
	1954	46.2	38.8	35.9	22.7	70.7	212.3	3.5	4.8	...	...
	1955	47.9	46.6	40.9	23.9	114.3	193.5	1.8	9.5	—	0.3
	1956	45.9	49.5	35.3	35.3	135.8	266.1	...	...	...	...
	1955 IV	48.6	50.1	61.6	26.6	138.8	205.9	2.2	7.4	—	0.4
9. Latin American Republics	1956 I	45.9	49.7	32.6	24.9	115.1	222.7	2.6	5.9	—	0.7
	1956 II	48.0	45.8	35.2	31.3	135.3	251.1	3.9	4.9	0.1	0.8
	1956 III	43.9	48.8	35.2	33.7	149.2	264.1	...	...	0.2	0.8
	1956 IV	45.8	53.6	38.3	51.2	149.1	327.7	...	...	...	...
	1948	24.0	12.6	0.1	0.7	0.4	20.9	...	...	...	...
	1951	24.5	2.8	1.3	1.3	22.3	64.8	...	0.1	...	...
	1952	14.2	0.7	1.1	7.1	12.5	42.0	...	—	...	...
	1953	16.1	1.5	0.4	0.2	26.1	66.2	...	—	...	...
	1954	12.2	4.8	1.4	—	50.3	77.2	...	—	...	...
	1955	12.2	3.6	6.6	0.1	44.8	60.7	...	0.7	—	—
10. Oceania	1956	8.6	1.3	0.7	2.1	45.0	93.2	...	...	...	...
	1955 IV	13.0	1.7	0.7	0.1	55.2	69.1	...	1.2	—	—
	1956 I	3.0	0.9	0.8	1.6	46.0	65.4	...	0.5	—	—
	1956 II	4.4	1.9	0.7	6.8	41.1	80.7	...	0.6	—	—
	1956 III	12.4	1.4	0.6	—	39.0	93.6	...	—	—	—
	1956 IV	14.5	1.0	0.6	—	54.3	133.1	...	...	—	—
	1948	18.0	20.9	1.2	8.5	1.1	2.1	...	...	...	...
	1951	28.8	10.6	9.8	2.7	25.4	36.7	...	0.1	...	...
	1952	14.4	8.7	7.3	3.3	9.7	37.9	...	—	...	...
	1953	10.2	14.5	6.0	4.4	3.6	50.2	...	2.2	...	...
11. Sterling Area	1954	14.6	8.7	8.6	3.2	8.8	34.0	...	0.2	...	...
	1955	16.7	11.2	6.2	3.1	17.2	50.8	...	0.2	—	—
	1956	14.8	7.3	9.4	4.6	9.2	65.0	...	...	—	—
	1955 IV	13.7	4.6	8.7	4.0	17.3	49.8	...	0.2	—	—
	1956 I	14.6	6.8	7.6	4.8	10.8	55.1	...	0.1	—	—
	1956 II	14.1	7.9	11.0	6.2	11.2	71.4	...	0.1	—	0.1
	1956 III	14.5	6.5	8.3	3.2	11.8	78.4	...	—	—	—
	1956 IV	16.0	7.9	10.6	4.4	7.4	70.1	...	...	—	—
	1948	191.6	264.4	24.4	29.7	17.4	15.3	...	...	...	...
	1951	218.0	182.2	147.6	61.9	153.1	111.6	0.2	1.7	...	...
12. ECAFE Sterling Countries ^a	1952	168.2	155.6	79.9	69.2	134.8	125.1	0.4	1.0	...	...
	1953	146.9	145.1	67.8	63.0	79.0	150.6	0.8	5.2	...	...
	1954	167.7	162.5	84.3	45.2	122.8	108.4	0.7	6.1	...	...
	1955	164.6	158.0	84.4	41.1	160.2	147.2	0.5	5.1	...	0.4
	1956	162.0	165.9	84.9	61.0	171.1	204.4	...	...	...	...
	1955 IV	180.3	152.6	109.5	60.4	183.7	159.1	0.6	8.2	—	0.8
	1956 I	173.7	172.9	67.8	59.3	174.9	181.3	0.7	3.9	—	2.1
	1956 II	138.1	168.3	83.6	63.3	170.9	212.3	1.4	1.6	0.3	1.8
	1956 III	159.4	178.9	98.0	52.8	151.9	214.4	...	—	—	1.2
	1956 IV	176.8	143.5	89.9	68.5	186.9	209.6	...	...	—	—

b. For 1948, year ending 30 September.

c. Figures for 1950 exclude ECA imports.

d. For 1948, year beginning 1 April.

e. Includes transit trade but excludes overland trade with Burma, Iran and Afghanistan through 1950.

f. Figures for trade with the Netherlands are as follows:—

	Exp.	Imp.		Exp.	Imp.
1951	66.6	26.0	1955 III	25.6	17.8
1952	50.0	31.1	IV	39.5	21.0
1953	48.4	22.4	1956 I	41.5	22.0
1954	41.3	16.4	II	41.2	24.2
1955	36.7	17.7	III	36.7	25.3
1956	42.9	23.4	IV	52.1	22.1

EXTERNAL TRADE

6. DIRECTION OF INTERNATIONAL TRADE (Cont'd)

Quarterly averages or quarters

Million dollars

TRADE WITH	Year and Quarter	MALAYA		PAKISTAN ^{d,i}		PHILIPPINES		THAILAND ^e		VIET-NAM ^k	
		Exports	Imports	Exports	Imports	Exports	Imports ^j	Exports	Imports	Exports	Imports
7. North America	1948	60.0	27.4	12.4	6.6	53.8	120.2	13.1	4.2	...	...
	1951	113.0	20.9	8.3	8.0	72.1	91.1	35.3	13.0	...	...
	1952	60.1	18.0	5.6	10.1	60.2	80.8	24.8	15.0	...	...
	1953	45.1	12.7	7.4	4.2	69.6	90.6	17.7	14.6	...	...
	1954	44.0	13.4	6.1	6.2	62.4	85.4	13.8	11.1	...	...
	1955	67.5	13.5	7.9	8.6	59.3	93.6	26.4	13.1	4.0	8.0
	1956	59.7	17.2	8.3	6.7	59.4	79.2	...	...	1.9	13.8
	1955 IV	68.0	10.7	8.6	10.1	50.1	105.2	32.5	13.5	4.4	11.2
	1956 I	64.1	17.5	11.5	6.2	57.9	69.1	25.3	14.9	2.6	13.4
	II	49.9	20.4	7.4	3.4	64.4	83.2	16.8	14.6	0.3	13.7
8. United States of America	III	60.2	15.9	6.2	9.0	53.3	80.9	17.0	14.7	2.5	15.4
	IV	64.6	15.0	8.1	8.3	62.2	83.5	...	...	2.3	12.8
	1948	53.8	24.6	12.0	6.0	52.4	117.7	13.1	4.1	...	...
	1951	97.5	17.8	7.9	7.6	70.9	87.6	34.4	12.4	...	...
	1952	53.8	14.9	5.6	9.1	59.5	77.1	24.6	14.4	...	...
9. Latin American Republics	1953	39.2	11.4	7.2	4.1	69.0	87.8	17.5	14.2	...	...
	1954	37.6	12.2	6.0	5.2	61.6	81.6	13.6	10.6	...	...
	1955	59.1	12.2	7.7	8.0	59.0	89.0	26.0	12.5	4.0	7.9
	1956	51.4	15.4	7.9	6.6	59.0	75.1	...	...	1.9	13.8
	1955 IV	58.7	9.4	8.4	9.9	49.6	99.0	31.9	13.0	4.4	11.2
	1956 I	56.0	15.7	11.1	6.1	57.6	65.9	25.1	14.4	2.6	13.3
	II	43.2	18.4	6.9	3.3	64.0	78.7	16.7	14.3	0.3	13.7
	III	51.3	13.8	5.9	8.8	53.0	76.2	16.9	14.3	2.5	15.3
	IV	55.1	13.5	7.8	8.1	61.4	79.6	...	...	2.3	12.8
	1948	1.6	1.2	1.8	0.2	1.3	3.6	0.2	—	...	...
10. Oceania	1951	16.2	0.3	—	—	2.0	1.1	0.5	—	...	...
	1952	4.7	0.3	—	—	1.6	0.4	—	—	...	...
	1953	4.7	0.2	0.5	—	2.8	0.2	—	—	...	...
	1954	6.7	0.2	0.9	—	3.0	0.7	—	—	...	...
	1955	10.7	0.2	1.6	—	3.5	0.6	0.2	—	—	...
	1956	6.6	0.4	0.9	—	3.7	1.2	...	—	—	0.3
	1955 IV	12.3	0.2	1.4	—	3.3	0.5	0.4	—	—	—
	1956 I	3.2	0.3	0.8	—	2.5	1.3	0.4	—	—	0.4
	II	8.4	0.3	0.9	—	4.1	1.4	—	0.1	—	—
	III	7.4	0.6	0.9	—	4.5	0.5	0.5	—	—	0.8
	IV	7.4	0.5	1.0	—	3.8	1.5	...	—	—	0.1
11. Sterling Area	1948	14.1	22.4	0.5	0.3	0.2	1.8	—	—	...	...
	1951	28.2	12.0	2.2	0.3	1.4	0.2	0.1	0.6	...	...
	1952	15.8	13.6	1.0	0.6	0.2	0.4	0.1	0.6	...	...
	1953	16.4	13.2	1.4	0.5	0.2	0.3	—	1.0	...	...
	1954	16.8	11.4	1.6	0.5	0.2	0.8	—	0.6	...	...
	1955	19.2	12.3	1.4	0.6	0.2	1.3	0.1	0.8	—	0.2
	1956	18.9	14.0	0.7	0.6	0.3	1.4	...	—	—	0.1
	1955 IV	20.4	10.9	2.1	0.3	0.3	1.5	0.1	0.9	—	0.3
	1956 I	21.6	12.4	0.8	0.5	0.3	0.7	0.1	0.8	—	—
	II	18.7	16.1	0.8	0.7	0.2	1.2	0.2	1.1	—	0.2
12. ECAFE Sterling Countries ^a	III	19.0	12.4	0.6	0.5	0.4	1.7	0.1	1.0	—	0.2
	IV	16.3	14.9	0.5	0.5	0.2	2.0	...	—	—	0.1
	1948	61.1	89.4	110.4	72.6	2.4	5.4	28.4	20.0	...	...
	1951	182.6	139.1	81.8	54.9	5.2	7.6	50.2	25.7	...	...
	1952	116.0	131.2	36.8	61.7	2.8	7.5	43.5	35.7	...	...
13. Other Areas	1953	91.9	110.6	37.0	23.4	2.3	6.0	39.9	30.3	...	...
	1954	92.7	94.1	33.6	32.6	2.4	10.2	32.1	22.5	...	...
	1955	120.1	117.7	38.5	25.9	2.6	12.1	35.4	26.6	2.4	3.5
	1956	117.4	130.1	30.7	20.6	3.8	12.4	...	...	0.6	2.3
	1955 IV	136.1	126.2	39.5	23.6	3.2	11.5	42.3	30.8	2.8	6.8
	1956 I	134.8	130.4	50.8	18.6	2.4	10.8	34.3	44.6	0.5	3.1
	II	105.5	129.0	23.2	19.3	5.0	11.9	36.3	42.7	0.3	1.7
	III	117.4	128.6	23.0	22.2	4.5	12.4	36.3	33.2	0.7	2.1
	IV	112.0	132.3	25.8	22.2	3.2	14.5	...	...	0.7	2.3
	1948	15.5	20.8	96.2	50.8	1.4	2.2	26.3	16.4	...	...
14. Other Areas	1951	45.6	58.4	54.4	25.8	0.8	4.8	46.2	9.1	...	...
	1952	28.6	46.0	18.0	29.2	0.6	5.8	41.2	24.7	...	...
	1953	30.8	38.1	13.2	6.6	0.6	4.5	37.8	19.1	...	...
	1954	32.6	27.9	11.6	6.3	0.7	6.7	28.0	13.6	...	...
	1955	30.4	40.3	16.9	5.5	0.7	7.3	31.6	17.0	1.9	2.3
	1956	35.2	43.7	13.8	4.6	1.6	7.2	...	...	0.5	1.2
	1955 IV	31.2	44.6	15.6	5.5	1.1	7.2	33.3	20.3	2.3	4.7
	1956 I	37.6	45.3	20.5	3.9	0.6	6.9	30.2	31.0	0.5	1.8
	II	30.1	39.9	10.6	4.2	2.3	6.5	32.7	30.4	0.3	1.0
	III	34.5	42.0	11.1	4.7	2.1	6.7	31.0	19.9	0.4	0.9
	IV	38.5	47.5	12.8	5.5	1.3	8.6	...	...	0.7	0.9

g. Figures prior to 1956 for Thailand and of 1950 and 1951 for Korea are derived from trade returns of partner countries. Totals for geographical and currency areas may not be complete.

h. Excluding FOA/MSA/ECA/ICA imports except figures for 1951.

i. Beginning 1951, includes overland trade.

j. Imports valued f.o.b.

k. See Table 5, footnote h.

EXTERNAL TRADE

7. VALUE OF IMPORTS BY PRINCIPAL COMMODITY GROUPS

Monthly averages or calendar months

Millions

	1951	1952	1953	1954	1955	1956	1955	1956				1957	
							IV	I	II	III	IV	Jan	Feb
BRUNEI (Malayan dollar)													
Food					1.25	1.40							
Mineral fuels, lubricants and related materials					0.51	0.24							
Chemicals					0.32	0.32							
Textiles					0.18	0.15							
Base metals and manufactures					1.56	1.06							
Machinery					1.53	1.30							
Transport equipment					0.79	0.51							
Other manufactured goods					1.89	2.23							
BURMA (kyat)													
Food	5.5	9.1	9.4	10.3	8.0	6.8	5.1	4.4	7.2	6.7	8.9		
Chemicals	3.4	3.9	4.1	4.6	5.4	7.1	6.9	6.8	5.2	7.4	9.0		
Textiles	21.3	30.6	24.0	24.1	16.6	22.4	13.9	16.2	26.6	16.8	29.8		
Base metals and manufactures	3.1	3.1	7.3	9.4	8.4	6.9	7.1	5.0	6.2	8.5	8.1		
Machinery	2.7	4.7	5.8	7.8	7.3	10.1	8.9	13.2	9.8	9.3	8.2		
Transport equipment	1.2	2.2	2.0	4.6	5.7	6.3	4.8	6.0	5.4	5.2	8.8		
Other manufactured goods	9.1	11.6	9.2	11.2	9.3	9.7	7.8	9.6	10.4	9.0	10.0		
CAMBODIA (riel)													
Food				11.2	10.0	14.0	12.7	10.9	14.7	17.1	9.3	9.8	
Beverages and tobacco				22.4	22.8	9.0	5.2	8.7	7.0	5.9	4.4	3.5	
Mineral fuels				9.8	13.6	11.8	9.9	14.0	8.0	12.3	9.2	10.1	
Textiles				24.5	26.9	27.8	34.2	37.3	44.9	21.8	32.1	38.2	
Machinery				4.3	5.6	11.3	16.1	18.3	15.3	17.4	15.9	15.9	
Transport equipment				11.8	10.2	10.8	15.1	7.2	17.6	13.5	18.1	11.4	
Base metals and manufactures				7.8	10.1	13.1	13.6	7.4	13.1	15.4	14.9	11.0	
CEYLON (rupee) ^a													
Food	56.6	63.9	64.6	53.8	50.3	56.7	51.8	48.5	46.4	60.1	71.9		
Cereals and cereal preparations	32.3	40.5	43.4	33.0	26.1	28.3	26.3	22.3	23.9	27.7	39.3		
Mineral fuels, lubricants and related materials	10.6	12.7	12.1	9.9	12.0	10.6	11.7	12.7	9.6	12.3	7.8		
Chemicals	6.2	5.1	5.4	6.1	7.6	8.2	8.7	8.9	8.6	8.0	7.4		
Textiles	17.5	17.2	13.5	12.2	11.3	13.4	13.5	12.2	12.6	13.4	15.3		
Machinery	6.7	7.8	7.7	5.7	7.1	8.7	7.2	7.3	8.9	9.1	9.6		
Transport equipment	6.6	8.2	7.0	4.8	5.9	6.9	6.3	7.5	7.6	7.1	5.5		
Other manufactured goods	21.3	21.7	19.3	20.0	21.8	25.1	24.3	23.8	26.3	24.0	26.2		
CHINA (Taiwan, NT dollar)													
Food	16.2	30.6	35.3	43.7	26.6	42.2		35.8	42.4	37.9	52.6	42.4	27.9
Crude materials, inedible, except fuels	15.2	24.7	52.2	66.9	63.5	92.1		80.5	104.2	107.2	76.1	64.6	73.1
Oil-seeds, oil nuts and oil kernels	11.9	11.6	15.6	17.5	19.0	23.3		25.5	21.2	27.8	18.6	25.8	10.8
Textile fibres, raw	1.1	2.3	25.7	31.8	31.8	37.1		27.4	55.2	37.7	28.1	17.3	35.3
Mineral fuels, lubricants and related materials	9.2	9.4	10.9	9.3	21.3	26.2		19.5	36.3	13.1	36.0	128.7	2.9
Chemicals	24.2	48.8	33.3	47.6	44.8	75.7		92.2	75.1	51.7	84.0	179.2	25.4
Textiles	21.0	25.5	15.4	6.4	4.4	3.9		5.9	3.5	2.5	3.6	2.1	1.1
Base metals and manufactures	12.7	20.5	23.1	29.0	25.9	45.7		42.7	52.9	44.2	43.2	29.7	25.2
Machinery	12.9	19.5	25.3	33.5	43.8	60.6		46.0	52.9	65.3	78.5	38.0	49.0
Transport equipment	5.4	6.4	11.1	8.6	8.0	14.2		7.6	15.6	10.7	22.8	13.2	12.7
Other manufactured goods	3.0	18.0	34.8	20.0	16.9	26.7		24.4	33.0	27.1	22.3	23.3	15.9
INDIA (rupee)													
Food and drink	175.8	188.1	90.7	64.7	61.4	34.8	30.3	51.3	27.1	28.5	32.3		
Raw materials and articles mainly unmanufactured	186.9	186.1	132.4	157.3	131.3	156.3	117.7	162.8	132.0	149.2	181.1		
Cotton, raw and waste	94.3	95.8	41.5	47.9	44.6	44.7	31.7	61.2	53.2	27.9	36.4		
Mineral oils	53.2	65.0	65.7	72.2	46.1	63.3	42.1	59.1	34.7	64.7	94.6		
Articles wholly or mainly manufactured	270.7	247.1	227.5	244.0	318.4	462.5	400.6	422.9	464.7	474.1	488.4		
Machinery	79.7	78.8	72.5	67.9	90.2	125.4	113.6	115.8	125.7	132.5	127.7		
Transport equipment	24.4	25.8	19.3	26.4	42.5	57.4	60.6	56.9	52.4	54.6	65.8		
Implements and instruments	10.5	8.5	8.3	8.9	13.1	15.4	14.0	15.0	14.9	16.2	15.5		
Electrical goods and apparatus	7.6	10.8	11.9	9.0	11.7	16.9	12.9	16.1	17.5	15.8	18.0		
Base metals and manufactures	33.2	37.4	32.3	41.6	62.7	132.9	84.8	107.5	136.4	141.5	146.2		
INDONESIA (rupiah)													
Live animals, food products, beverages and tobacco	52.5	215.1	131.9	96.0	63.3		116.6	188.7	165.1	126.4			
Chemicals and allied products	17.5	46.0	40.9	37.0	53.6		51.7	66.4	67.1	48.5			
Textiles, apparel and footwear	91.0	219.1	212.9	173.8	175.0		193.9	217.5	251.6	218.0			
Base metals and manufactures	29.3	94.6	67.9	63.1	70.4		78.0	82.4	81.0	84.1			
Machinery and transport equipment	37.2	162.7	136.3	115.7	102.4		124.0	134.3	163.2	157.7			

EXTERNAL TRADE

7. VALUE OF IMPORTS BY PRINCIPAL COMMODITY GROUPS (Cont'd)

Monthly averages or calendar months

Millions

	1951	1952	1953	1954	1955	1956	1955	1956				1957	
								IV	I	II	III	IV	Jan	Feb
JAPAN (1,000 Mn yen)													
Food	14.86	17.86	18.12	19.30	18.34	16.47	18.06	16.18	16.90	15.74	17.10	13.74	...
Cereals and cereal preparations	10.90	12.98	12.98	14.66	13.20	11.08	12.16	10.11	12.06	10.98	11.15	8.30	...
Sugar and sugar preparations	2.91	3.53	3.79	3.39	3.64	4.02	4.17	4.90	3.55	3.69	3.93	4.00	...
Crude materials, inedible, except fuels	36.40	31.7	34.63	33.78	36.77	51.31	39.11	41.54	52.21	54.37	57.13	63.53	...
Oil-seeds, oil nuts & oil kernels	2.58	1.16	2.41	2.91	4.41	4.01	3.93	4.89	3.63	4.73	2.80	4.73	...
Crude rubber	2.52	1.48	1.51	1.30	2.24	2.66	3.03	2.47	2.60	2.53	3.04	3.05	...
Textile fibres, raw	22.51	17.91	19.98	18.54	17.57	23.16	17.11	19.38	25.48	24.69	23.07	25.65	...
Metalliferous ores and metal scrap	2.83	4.36	5.20	5.13	5.57	13.70	7.50	8.20	13.34	13.79	19.47	22.21	...
Mineral fuels, lubricants and related materials	4.80	7.02	8.66	8.02	8.67	12.38	10.39	11.57	11.67	12.25	14.03	17.88	...
Chemicals	1.10	1.33	2.08	1.92	2.41	4.90	2.74	3.93	5.18	5.13	5.36	4.57	...
Machinery	1.72	2.72	2.79	3.77	3.29	3.93	3.43	4.25	4.13	3.72	3.79	4.28	...
Transport equipment	1.24	1.28	2.03	1.55	0.68	0.92	0.52	0.73	1.02	0.95	1.00	0.79	...
Other manufactured goods	1.75	1.74	2.68	2.54	2.41	5.68	2.71	3.50	4.58	5.44	9.15	11.98	...
KOREA (southern, hwan)													
Food	3	258	821	276	555	452	660	432	447	505	422	...	...
Cereals and cereal preparations	—	230	697	122	78	65	160	139	29	72	21	...	...
Beverages and tobacco	1	24	67	126	188	220	233	165	287	261	168	...	...
Crude materials, inedible, except fuels	22	22	103	106	115	120	165	166	159	92	54	...	...
Chemicals	20	114	306	351	693	370	670	599	453	207	223	...	...
Textiles	27	67	229	604	1,273	663	1,621	836	547	428	840	...	...
Machinery & transport equipment	3	15	63	316	328	334	544	297	373	419	245	...	...
Other manufactured goods	22	71	223	461	862	711	830	723	697	706	716	...	...
LAOS (Kip)													
Food	...	...	...	...	...	15.2	18.0	23.9	14.4	15.8	19.5	24.2	...
Cereals and cereal preparations	...	...	...	...	...	7.4	10.5	12.8	7.4	7.6	11.6	15.3	...
Petroleum products	...	...	...	...	...	2.3	4.0	3.0	1.6	3.2	5.2	6.0	...
Chemicals	...	...	...	...	...	2.9	5.6	3.5	4.5	7.4	5.6	4.8	...
Textiles	...	...	...	...	...	9.1	23.0	12.3	36.5	19.5	14.8	21.4	...
Machinery	...	...	...	...	...	3.9	6.9	3.8	7.5	8.2	6.9	5.1	...
Transport equipment	...	...	...	...	...	3.5	12.0	4.8	8.4	9.3	13.7	16.7	...
Other manufactured goods	...	...	...	...	...	11.5	24.6	13.2	27.5	28.6	18.6	23.3	...
MALAYA (Malayan dollar)^a													
Food	81.1	83.5	79.4	66.6	70.0	77.9	70.1	74.6	77.5	78.8	80.3	86.1	...
Cereals and cereal preparations	30.0	31.4	32.1	18.9	21.9	24.2	23.0	23.9	24.8	22.0	25.6	32.0	...
Crude materials, inedible, except fuels	121.9	54.1	39.0	47.6	70.1	67.0	78.6	68.2	59.9	70.4	68.7	72.7	...
Crude rubber	104.6	41.7	25.9	30.4	53.9	49.7	61.7	53.3	42.3	54.3	48.7	50.6	...
Mineral fuels, lubricants and related materials	32.9	48.1	50.9	50.6	57.7	65.5	56.9	70.0	68.5	57.8	65.7	92.6	...
Textiles	43.4	29.3	26.2	15.7	21.5	21.2	20.2	23.4	24.1	17.0	20.4	26.3	...
Machinery	12.8	16.4	14.3	14.0	15.9	19.3	15.6	18.6	20.1	19.6	18.7	22.2	...
Transport equipment	14.2	15.6	9.4	7.2	9.2	11.9	11.8	15.0	12.4	10.5	9.9	14.2	...
Other manufactured goods	68.9	44.4	36.6	37.4	44.7	50.1	43.2	46.3	51.3	53.5	47.9	58.8	...
NORTH BORNEO (Malayan dollar)													
Food	1.81	1.71	1.51	1.46	1.89	...	1.97	2.03	2.37	2.89	...	...	...
Mineral fuels, lubricants and related materials	...	...	...	0.48	0.44	...	0.50	0.35	0.68	0.59	...	...	...
Chemicals	...	...	...	0.24	0.32	...	0.37	0.39	0.41	0.44	...	...	...
Textiles	0.78	0.39	0.38	0.46	0.53	...	0.61	0.45	0.67	0.77	...	...	...
Machinery	0.22	0.48	0.70	0.70	0.57	...	0.59	0.70	0.65	0.82	...	...	...
Transport equipment	0.28	0.26	0.16	0.25	0.24	...	0.34	0.40	0.65	0.30	...	...	...
Other manufactured goods	...	...	...	1.17	1.59	...	1.86	1.50	1.88	2.25	...	...	...
PAKISTAN (rupee)^b													
Mineral oils	6.1	8.5	8.3	8.3	9.5	8.0	16.6	5.6	7.8	8.3	10.2	...	...
Cotton piecegoods	27.5	23.0	1.2	2.5	2.2	4.3	3.1	12.8	3.1	0.8	0.4	...	...
Cotton twist and yarn	18.0	16.3	4.0	4.0	0.9	1.1	0.8	2.2	1.1	0.6	0.4	...	...
Machinery	11.6	14.6	10.0	22.9	20.8	14.6	14.2	14.3	12.2	15.2	16.7	...	...
Transport equipment	5.6	7.0	2.1	3.7	4.1	5.5	5.8	3.0	6.1	5.2	7.5	...	...
Iron and steel manufactures	7.2	14.0	4.9	5.6	8.1	...	9.1	11.7	7.9	9.0	...	...	...
PHILIPPINES (peso)^b													
Food	16.6	12.8	12.8	13.2	17.1	14.7	19.6	12.0	14.5	16.3	16.1	...	...
Cereals and cereal preparations	6.5	5.8	3.6	4.3	6.2	4.4	7.7	2.7	5.3	5.7	3.8	...	...
Mineral fuels, lubricants and related materials	6.9	7.0	8.1	9.0	9.0	8.7	9.3	8.4	8.3	8.9	9.3	...	...
Chemicals	6.2	5.4	6.4	6.4	7.3	6.5	9.9	4.9	6.9	6.6	7.5	...	...
Textiles	15.7	13.1	13.2	14.3	14.2	9.9	14.9	7.4	10.0	10.0	12.3	...	...
Machinery	6.1	7.1	9.0	10.3	12.4	16.1	12.9	14.4	17.0	17.5	15.6	...	...
Transport equipment	3.0	3.6	3.6	4.2	5.0	4.8	6.1	3.9	6.2	4.6	4.6
Other manufactured goods	20.4	17.2	19.1	19.8	21.7	20.1	22.8	17.9	21.7	20.7	20.0

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EXTERNAL TRADE

7. VALUE OF IMPORTS BY PRINCIPAL COMMODITY GROUPS (Cont'd)

Monthly averages or calendar months

Millions

	1951	1952	1953	1954	1955	1956	1955	1956				1957	
							IV	I	II	III	IV	Jan	Feb
SARAWAK (Malayan dollar)													
Food	4.29	4.02	3.64	3.85	4.32	...	4.71 ^e	4.08			...	...	...
Mineral fuels, lubricants and related materials	22.23	22.95	22.44	22.40	24.93	...	26.40 ^e	26.50	...	...	...	...	...
Chemicals	0.24	0.23	0.53	0.70	0.82	...	0.93 ^e	0.67	...	...	...	...	...
Textiles	...	...	...	0.57	0.61	...	0.61 ^e	0.51	...	...	...	...	...
Machinery	0.52	0.48	1.08	1.19	1.21	...	1.35 ^e	1.17	...	...	...	...	...
Transport equipment	0.12	0.16	0.36	0.36	0.37	...	0.44 ^e	0.52	...	...	...	...	...
Other manufactured goods	...	...	...	2.10	2.37	...	2.53 ^e	2.37	...	...	...	...	...
THAILAND (baht)													
Food	...	...	...	53.3	51.5	43.4	59.5	42.9	45.3	52.9	44.9	...	...
Mineral fuels, lubricants and related materials	...	...	...	47.5	57.0	55.7	56.5	60.3	64.0	61.9	62.3	...	...
Chemicals	...	...	...	43.9	48.1	52.8	55.1	54.9	54.2	55.1	51.2	...	...
Textiles	...	...	...	105.0	113.4	118.4	144.3	139.0	98.2	101.3	135.2	...	...
Machinery	...	...	...	71.1	65.3	70.5	82.6	68.8	75.0	70.0	68.1	...	...
Transport equipment	...	...	...	44.6	48.7	49.1	50.9	46.8	47.1	58.6	44.0	...	...
Other manufactured goods	...	...	...	168.7	191.1	165.6	254.1	168.6	186.4	154.5	153.0	...	...
VIET-NAM (piastre) ^c													
Food	55.8	84.8	111.1	122.0	89.6	...	75.8	91.6	72.2	80.5	...	...	...
Petroleum and products	13.8	21.3	32.0	41.0	33.7	...	40.2	23.0	42.5	27.7	...	...	...
Textiles	164.9	209.6	231.4	190.1	111.2	...	67.0	125.8	114.9	74.0	...	...	...
Machinery	1.7 ^d	51.0	71.7	76.2	65.4	...	100.8	56.8	50.2	52.7	...	...	...
Transport equipment	1.8	46.6	47.2	49.3	52.3	...	67.0	39.8	30.1	41.0	...	...	...

a. 1951 to 1954 figures for Ceylon and 1951 to 1952 figures for Malaya, reclassified by ECAFE Secretariat, may not conform exactly to the new classification beginning from 1955 and 1953 respectively.

b. Imports valued f.o.b.

c. See footnote h. Table 5.

d. Excluding electric machinery.

e. Monthly average of Jul-Dec.

8. VALUE OF EXPORTS BY PRINCIPAL COMMODITIES AND/OR COMMODITY GROUPS

Monthly averages or calendar months

Millions

	1951	1952	1953	1954	1955	1956	1955	1956				1957	
							IV	I	II	III	IV	Jan	Feb
BRUNEI (Malayan dollar)													
Crude oil	...	...	...	21.85	23.91	...	...	...	...	...	...	...	...
Natural rubber	...	...	...	0.12	0.33	...	...	...	...	...	...	...	...
BURMA (kyat)													
Rice and products	60.3	82.6	70.7	79.4	68.1	...	71.4	74.8	70.6	...	...	...	...
Natural rubber	2.4	2.2	2.0	2.4	2.7	...	1.1	5.6	4.0	3.7	...	...	...
Teak	4.0	3.0	2.4	2.0	1.8	...	1.5	0.4	2.6	0.2	...	...	...
Base metals and ores	3.5	5.0	4.6	3.8	4.9	...	5.9	5.9	5.6	2.8	...	...	...
CAMBODIA (riel)													
Rice	...	...	38.5	69.5	9.3	20.6	0.5	2.1	59.2	3.6	17.6	...	...
Maize	...	...	8.0	16.9	12.5	15.9	28.4	12.1	12.6	17.0	21.8	...	...
Natural rubber	...	...	25.8	34.3	51.1	42.2	76.4	49.5	29.7	53.5	36.1	...	...
CEYLON (rupee)													
Tea	66.7	60.3	68.8	93.6	99.5	87.0	100.1	85.6	89.5	85.3	87.6	...	...
Coconut and products	26.9	19.5	20.5	18.2	19.0	18.0	22.7	14.9	16.2	21.6	19.3	...	...
Natural rubber	48.5	31.1	28.1	23.8	29.2	24.4	43.0	21.6	24.6	31.0	20.3	...	...
CHINA (Taiwan, NT dollar)													
Rice	19.5	18.6	17.4	9.4	37.3	34.4	51.6	24.7	46.3	—	66.4	19.3	—
Fruits, fresh, dried and preserved	7.5	9.9	8.1	10.7	12.3	18.4	14.0	13.1	21.1	29.3	9.9	9.5	8.2
Tea	8.6	7.1	8.8	12.1	7.0	10.2	8.7	5.2	10.6	9.7	15.4	10.7	6.5
Sugar	64.6	72.0	111.2	70.2	79.6	127.6	51.1	195.4	124.9	83.5	106.4	207.0	174.7
INDIA (rupee)													
Food and drink	119.6	109.1	117.2	143.4	128.1	156.8	135.1	157.3	111.6	160.1	198.2	...	...
Tea	78.7	66.7	85.5	108.9	97.2	118.0	99.2	115.0	69.6	124.5	163.0	...	...
Spices	24.9	19.0	13.8	11.2	8.5	7.6	10.6	11.4	6.2	5.9	6.7	...	...
Raw materials and articles mainly unmanufactured	127.7	116.4	97.4	83.2	134.2	112.6	139.9	150.6	106.8	86.1	106.8	...	...
Cotton, raw and waste	21.4	20.3	16.7	15.3	28.8	20.9	30.9	40.2	18.3	11.7	13.5	...	...
Hides and skins, raw or undressed	8.3	4.9	4.9	5.6	5.6	5.1	6.1	6.4	5.2	2.5	6.1	...	...
Vegetable oil other than aromatic	25.4	20.0	7.8	7.4	30.3	17.3	24.7	28.0	24.6	6.7	9.8	...	...
Articles manufactured and mainly manufactured	347.6	244.6	201.5	213.2	210.5	198.9	198.6	185.8	191.9	192.4	225.2	...	...
Cotton yarns and manufactures	78.4	60.4	52.8	59.7	52.5	51.9	51.8	53.4	50.1	47.0	57.0	...	...
Jute yarns and manufactures	200.3	135.6	92.1	101.1	105.2	92.5	91.5	73.0	91.1	96.6	109.1	...	...
Hides, skins and leather	27.8	14.6	21.1	18.2	17.2	18.7	18.8	21.8	16.3	15.8	21.0	...	...

EXTERNAL TRADE

8. VALUE OF EXPORTS BY PRINCIPAL COMMODITIES AND/OR COMMODITY GROUPS (Cont'd)

Monthly averages or calendar months

Millions

	1951	1952	1953	1954	1955	1956	1955	1956				1957	
							IV	I	II	III	IV	Jan	Feb
INDONESIA (rupiah)													
Tea	11.6	20.9	22.3	37.8	29.7	28.1	35.5	24.0	31.0	24.4	32.9	...	...
Copra	40.7	43.2	54.1	54.8	40.6	42.8	35.4	21.2	41.4	52.2	56.4	...	...
Natural rubber	206.9	344.7	256.6	251.1	407.8	335.7	575.0	282.7	334.3	345.6	383.7	...	...
Tin ore	25.7	81.8	76.8	56.5	56.5	58.9	59.3	52.2	50.0	63.3	70.0	...	...
Petroleum and products	52.8	162.1	191.0	214.9	201.9	213.3	218.8	174.5	226.4	206.1	247.5	...	...
JAPAN (1,000 Mn yen)													
Food	2.02	2.87	3.72	3.92	3.98	5.32	5.24	5.38	5.09	4.88	5.93	3.44	...
Fish and fish preparations	1.06	1.37	1.82	2.23	2.27	3.62	3.01	3.47	3.50	3.27	4.23	2.31	...
Crude materials (inedible) other than fuels	2.34	2.52	2.09	2.50	2.94	2.86	4.14	2.53	2.67	2.98	3.27	2.37	...
Textile fibres, raw	1.84	1.47	1.42	1.54	1.74	1.65	2.36	1.40	1.37	1.72	2.13	1.46	...
Chemicals	1.10	1.20	1.87	2.37	2.82	3.21	3.17	3.22	3.37	3.35	2.88	3.30	...
Textiles	16.07	10.99	11.27	16.50	17.55	20.81	21.29	19.90	18.66	19.34	25.34	16.45	...
Base metals and manufactures	8.94	10.22	5.62	7.51	11.61	10.24	13.02	10.05	10.85	10.48	9.62	7.59	...
Machinery	3.28	3.48	2.14	3.86	3.83	5.07	4.09	3.90	4.86	5.09	6.38	4.70	...
Transport equipment	0.93	1.08	3.52	2.20	3.57	9.56	5.93	7.06	9.07	8.72	13.25	10.12	...
Other manufactured goods	6.31	6.14	6.82	9.22	12.97	16.76	15.45	13.08	16.39	18.63	18.94	12.26	...
KOREA (southern, hwan)													
Food	2	3.3	19.8	52.0	67.4	42.7	58.5	62.2	23.1	50.4	65.9	94.6	...
Crude materials (inedible) other than fuels	33.2	131.7	235.0	426.6	566.5	841.5	671.2	740.9	1,066.8	755.2	803.0	...	...
Chemicals	0.5	3.5	16.2	31.5	47.0	35.8	32.4	50.6	53.8	26.4	12.3	...	...
Manufactured goods	0.8	6.9	17.8	26.5	64.7	108.4	57.8	83.8	121.8	109.2	118.6	...	...
LAOS (kip)													
Wood and lumber	...	...	...	...	...	1.00	0.28	0.99	0.43	0.14	0.27	0.25	...
Tin ore	...	...	...	...	...	0.75	1.34	0.59	3.03	0.90	0.60	0.90	...
Gums and resins	...	...	...	...	...	0.59	0.74	0.81	0.21	0.38	2.26	0.14	...
Plants for use in medicine and perfumery	...	...	...	...	...	0.09	0.24	0.12	0.05	0.09	0.34	0.48	...
MALAYA (Malayan dollar)													
Food	28.4	27.9	21.0	25.5	21.4	26.4	21.0	21.5	26.2	29.4	28.6	29.8	...
Vegetable oils	11.0	8.4	7.7	9.1	8.8	9.8	9.2	8.0	9.6	10.2	11.5	11.4	...
Natural rubber	330.1	157.6	103.2	110.7	194.1	171.8	218.2	195.2	149.0	164.5	178.8	191.7	...
Tin (block, ingots, bars or slabs)	48.2	43.0	32.6	34.6	36.1	39.7	34.2	40.3	39.3	39.4	39.8	40.9	...
NORTH BORNEO (Malayan dollar)													
Copra	1.31	0.62	0.73	1.15	1.18	...	1.15	1.34	1.74	2.66	...	...	...
Rubber	7.18	3.26	1.95	2.03	3.84	...	4.73	3.65	2.84	3.38	...	...	...
Timber	0.85	0.69	1.03	1.46	1.81	...	2.00	2.15	1.92	2.55	...	...	...
PAKISTAN (rupee)													
Tea	5.0	2.7	2.9	3.9	2.9	4.5	3.6	2.2	2.6	3.9	9.4	...	...
Raw jute	96.9	58.0	47.6	45.4	58.0	62.6	81.2	114.4	41.0	35.6	59.3	...	...
Raw cotton	80.2	72.0	52.7	29.1	33.6	30.3	30.9	48.4	37.6	21.2	14.0	...	...
Raw wool	4.9	4.1	4.3	3.5	5.6	5.9	7.8	4.6	5.0	5.4	8.7	...	...
Hides and skins	4.9	2.8	3.3	2.8	2.6	3.3	2.7	3.9	3.1	2.9	3.5	...	...
PHILIPPINES (peso)													
Coconut and coconut preparations	34.8	20.3	26.3	27.4	25.0	29.2	25.2	25.6	28.2	30.9	32.1	...	...
Sugar and related products	12.6	16.8	17.0	18.4	18.6	17.4	14.1	21.4	22.3	11.1	14.9	...	...
Fibres and manufactures	12.8	7.4	7.2	4.9	5.1	6.4	5.1	5.8	7.0	6.6	6.1	...	...
Minerals and metals	4.4	5.8	5.9	5.9	6.7	8.2	7.4	7.9	7.6	8.9	8.3	...	...
Logs, lumber and timber	2.9	3.2	4.8	5.9	6.9	8.1	5.9	7.1	7.5	9.1	8.9	...	...
SARAWAK (Malayan dollar)													
Pepper	1.49	2.75	4.12	3.64	2.64	...	3.40 ^c	1.80 ^d	...	...	...	...	...
Rubber	13.24	5.43	2.64	2.87	6.64	...	7.22	6.35 ^d	...	...	...	...	...
Timber, sawn and logs	0.39	0.74	1.16	1.16	1.83	...	1.84 ^c	1.84 ^d	...	...	...	...	...
Mineral fuels, lubricants and related materials	24.90	25.08	24.42	24.46	26.74	...	27.76	28.95 ^d	...	...	...	...	...
THAILAND (baht)^a													
Rice	206.7	323.4	318.9	235.9	263.7	238.9	190.7	217.3	246.4	221.8	270.4	...	...
Natural rubber	101.8	79.3	56.1	77.5	150.0	126.9	159.5	152.1	105.9	92.9	156.6	...	...
Teak	12.8	8.2	11.1	17.3	22.1	25.5	28.1	23.3	28.8	27.6	22.4	...	...
Tin ore and concentrates	25.2	32.7	29.3	31.4	36.7	42.3	43.7	38.1	37.4	45.1	48.6	...	...
VIET-NAM (piastre)^b													
Rice and products	62.4	44.9	52.5	64.2	26.2	1.1	0.3	—	—	0.7	3.7	...	...
Natural rubber	102.7	71.8	70.5	68.7	122.7	107.0	180.5	134.5	52.0	139.0	102.6	...	...

a. From 1952 onwards baht value is obtained by converting foreign currencies at free market buying rate.

b. See footnote h. Table 5.

c. Monthly average of Jul-Dec.

d. Monthly average of Jan-Jun.

EXTERNAL TRADE

9. QUANTITY OF EXPORTS OF SELECTED COMMODITIES

Monthly averages or calendar months

Thousand tons

	1948	1951	1952	1953	1954	1955	1956	1955	1956					1957	
								IV	I	II	III	IV	Jan	Feb	
RICE															
Burma	105.9 ^a	110.2	109.4	86.9	129.6	141.5	...	160.7	164.6	153.5	130.3	...	...	...	...
Cambodia	...	20.7	17.5	11.5	24.7	8.4 ^f	5.8	0.3	1.0	14.8	1.7	5.7	...	...	...
China (Taiwan)	0.8	7.1	8.8	4.9	3.0	14.2	9.1	19.3	5.8	12.4	—	18.3	5.3	—	—
Thailand	67.7	131.4	118.8	111.7	83.5	104.0	105.5	77.1	97.0	108.3	94.8	122.0	...	...	...
Viet-Nam	...	23.0	12.8	8.6	14.6	6.8	0.4	0.1	—	—	0.3	1.3	—	—	...
SUGAR															
China (Taiwan)	21.3	23.6	38.3	72.9	43.5	48.8	50.0	31.2	76.0	49.4	33.0	41.8	79.3	62.2	...
Indonesia	5.3	0.5	0.1	7.8	17.7	14.7	14.1	45.6	18.3	1.4	16.2	19.6	...	...	...
Philippines	18.1	47.2	66.1	64.3	72.4	77.2	71.9	61.2	93.9	87.0 ^f	44.8	61.8	...	...	...
TEA															
Ceylon	11.2	11.5	11.9	12.8	13.6	13.6	13.2	14.4	12.9	14.0	13.4	12.8	15.5	11.7	...
China (Taiwan)	0.6	0.9	0.8	0.9	1.3	0.6	0.9	0.8	0.3	0.9	1.0	1.4	1.0	0.7	...
India	13.2	17.0	15.5	18.8	16.8	13.6	19.5	15.9	20.9	13.1	19.2	24.9	...	...	...
Indonesia	0.7	3.3	2.7	2.4	3.4	2.4	2.9	3.2	2.4	3.2	2.6	3.3	...	...	...
Japan	0.3	0.7	0.8	1.1	1.4	1.2	0.9	1.5	0.9	0.6	0.9	1.0	0.8	...	...
Pakistan	1.2	1.8	0.9	1.0	0.8	0.4	0.8	0.5	0.4	0.5	0.8	1.6	...	...	...
HIDES & SKINS															
India ^a (net exports, tons)	1,066	1,325	615	478	424	366	276	682	363	357	—	386	...	...	...
Pakistan (1,000 pieces)	869 ^c	944	719	898	811	749	878	718	933	824	760	994	...	...	...
COPRAB^b & COCONUT OIL															
Ceylon	9.2	10.3	11.1	9.0	8.2	11.6	10.1	14.7	8.8	10.5	12.2	8.7	...	...	...
Indonesia (copra)	12.1 ^d	27.2	17.4	15.6	14.8	11.8	13.1	9.8	5.4	11.9	16.4	18.9	...	...	...
Malaya	7.1	10.4	8.7	8.7	10.0	9.5	11.1	11.3	8.3	9.6	12.2	13.2	14.1	...	...
N. Borneo	0.3	0.9	0.6	0.7	1.4	1.8	...	1.8	2.1	2.6	4.2	...	...	...	...
Philippines	35.3	45.0	40.3	35.1	43.8	46.4	57.4	52.0	49.8	54.7	60.4	64.6	...	...	...
PALM KERNELS^b & OIL															
Indonesia (palm oil)	3.3	8.1	10.1	11.0	11.7	9.7	10.4	3.4	8.8	9.9	12.7	10.4	...	...	...
Malaya	4.4	4.5	4.3	4.6	4.7	5.1	5.5	5.3	5.1	5.2	4.8	7.0	8.0	...	...
GROUND NUTS^b & OIL															
India	5.5	5.8	5.6	1.7	2.5	14.8	2.8	9.1	11.0	0.2	—	0.1	...	...	...
NATURAL RUBBER															
Brunei	0.2	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Burma	0.8	0.8	1.2	0.9	1.0	1.0	1.0	0.1	1.4	1.1	1.1	0.5	1.0	...	...
Cambodia	...	...	1.4	1.5	2.0	2.2	2.4	3.0	2.3	1.7	2.6	2.8	...	...	...
Ceylon	7.8	8.8	7.6	8.2	7.6	8.2	7.3	10.7	9.2	4.5	7.1	8.6	10.9	...	...
Indonesia	36.6	67.2	61.8	57.1	61.7	61.1	56.6	74.2	40.6	56.2	65.3	64.4	45.7	...	...
Malaya (net exports)	57.5	51.5	48.4	48.2	48.3	53.5	52.3	52.1	54.0	50.6	48.3	56.2	56.2	50.1	...
N. Borneo	1.7	1.8	1.6	1.4	1.4	1.7	1.7	1.9	1.7	1.6	1.8	1.7	2.0	1.3	...
Sarawak	3.4	3.6	2.7	2.0	1.9	3.3	3.5	3.2	3.9	3.7	3.2	3.3	3.4	...	...
Thailand	8.1	9.2	8.3	8.1	9.9	11.0	11.3	10.5	11.8	10.6	9.0	14.0	4.8	...	...
Viet-Nam	...	4.5	5.3	5.0	4.6	5.2	5.3	6.6	5.9	3.8	6.1	5.5	13.8	5.5	...
COTTON, RAW															
India	8.0	2.3	4.4	3.8	2.3	7.9	5.9	10.0	13.7	4.8	2.4	2.9	...	...	...
Pakistan	13.6	18.3	20.4	23.6	11.8	14.0	10.9	11.2	18.1	13.2	7.1	5.1	...	...	...
COTTON YARN (tons)															
Hong Kong	1,732	1,300	1,190	1,172	1,228	1,183	1,088	1,417	1,331	949	1,032	1,617	1,372	...	...
Japan	458	1,025	1,117	801	1,117	991	1,032	1,239	1,443	882	824	978	1,064	...	...
Malaya	22	167	119	113	54	9	44	14	10	21	139	6	31	...	...
COTTON PIECE GOODS (Mn sq. metres)															
Hong Kong	...	12.2 ^e	10.1	9.3	11.3	11.5	9.8	7.5	8.5	9.0	13.7	11.4	16.0	12.3	...
India (Mn metres)	23.5	59.1	45.7	50.0	65.6	56.9	56.7	51.8	56.9	56.0	50.2	63.6	...	...	...
Japan	28.2	75.3	52.0	63.7	89.0	79.3	87.9	100.7	101.2	72.3	71.9	106.3	...	...	...
Malaya	7.5 ^e	14.5	9.6	8.0	2.7	5.0	4.5	3.2	6.1	5.4	3.9	2.7	6.8	...	...
JUTE															
Pakistan (raw)	28.1 ^d	88.7	70.0	81.7	74.3	81.8	71.5	104.6	136.0	44.0	40.8	65.0	...	...	...
India (bag and cloth)	78.4	67.1	60.0	60.3	67.8	79.6	67.9	68.0	54.9	67.8	71.2	78.0	...	...	...
HEMP, RAW															
Philippines	6.2	10.3	9.1	9.3	8.2	9.3	10.2	8.9	9.2	11.8	10.3	9.4	...	...	...
TIN CONCENTRATES (tons)															
Burma	155	125	118	83	67	81	...	81	81	81	81	...	...	...	...
Indonesia	2,753	2,604	2,929	2,771	2,874	2,689	...	2,804	2,382	2,227	2,732	...	...	...	...
Thailand	479	746	825	863	806	935	1,049	1,102	944	960	1,105	1,187	...	...	...
TIN METAL (tons)															
Malaya	3,998	5,500	5,429	5,228	5,950	6,025	6,204	5,504	6,213	6,269	6,306	6,028	6,167	4,908	...
PETROLEUM & PRODUCTS															
Brunei (crude oil)	224	415	423	406	398	433	...	...	—	468 ^f	...	...	...	...	...
Indonesia	321	506	618	800	824	789	877	871	707	940	819	1,054	...	...	...
Malaya	82	163	204	225	235	268	239	328	377	229	174	175	298	...	...

a. Prior to 1955, years beginning 1 April.

b. In terms of oil equivalent.

c. Year beginning 1 April.

d. Excluding exports to Singapore from Indonesia.

e. Million metres.

f. Data derived from imports of Sarawak.

EXTERNAL TRADE

10. INDEX NUMBERS OF UNIT VALUE, QUANTUM AND TERMS OF TRADE

1953=100^a

	1950	1951	1952	1953	1954	1955	1956	1955	1956				1957	
								IV	I	II	III	IV	Jan	Feb
<i>A. Unit Value</i>														
BURMA														
Imports	189 [†]	129 [†]	115	100	93	89	...	79	84	86	80	...	...	...
Exports	62 [†]	74 [†]	94	100	77	62	...	60	64	64	58	...	...	...
CEYLON														
Imports: ^b General	86	102	110	100	88	89	89	86	88	89	90	90	...	...
Exports: ^b General	104	126	98	100	112	117	109	114	110	108	104	112	...	...
Tea	102	106	94	100	126	134	121	127	123	122	115	129	...	...
Rubber	100	165	114	100	88	101	96	110	104	93	94	90	...	...
All coconut products	114	134	83	100	94	79	78	76	73	79	79	83	...	...
Imports (Central Bank index)	84	101	108	100	92	86	90	88	93	92	91	90	...	...
Consumer goods	84	99	107	100	91	84	85	83	85	86	85	86	...	...
Capital goods	83	107	113	100	95	97	107	106	118	113	108	104	...	...
CHINA (Taiwan)														
Imports	...	...	111	100	108	111	106	110	103	109	104	108	...	...
Exports	...	...	113	100	105	110	105	120	104	107	100	107	...	...
INDIA[†]														
Imports: General	...	...	109	100	97	95	96	96	95	97	96	98	...	...
Food, drink and tobacco	...	...	99	100	85	88	90	93	83	88	92	97	...	...
Raw materials and semi-manufactures	...	...	104	100	99	97	99	99	98	103	99	97	...	...
Manufactures	...	...	115	100	99	98	97	98	97	99	99	103	...	...
Exports: General	...	...	109	100	107	98	102	99	101	97	101	108	...	...
Food, drink and tobacco	...	...	94	100	122	105	111	105	103	105	112	126	...	...
Raw materials and semi-manufactures	...	...	100	100	99	90	102	94	97	98	106	110	...	...
Manufactures	...	...	120	100	99	96	93	94	95	91	90	94	...	...
INDONESIA														
Imports	84	116	110	100	90	91	...	96	100	91	90	...	...	...
Exports	111	160	112	100	96	109	...	119	117	101	100	...	...	...
JAPAN^c														
Imports	90	124	114	100	96	94	97	95	94	95	98	100	...	...
Exports	82	122	108	100	96	91	94	92	93	93	95	96	...	...
MALAYA^d														
Imports	96	120	108	100	90	92	91	95	95	91	88	90	...	...
Exports	116	172	125	100	94	120	110	130	121	106	104	108	...	...
PAKISTAN														
Imports: General	91	116	102	100	98	119	...	156	155	157	166	...	...	...
Food, drink and tobacco	91	118	106	100	124	160	...	199	214	177	193	...	...	...
Raw materials	104	135	112	100	96	104	...	126	130	127	138	...	...	...
Manufactures	89	113	99	100	92	111	...	148	143	156	163	...	...	...
Exports: General ^e	144	194	142	100	107	118	...	129	136	145	143	143	...	...
Jute	158	200	146	100	105	121	...	134	145	159	152	...	...	...
Cotton	137	209	156	100	110	110	...	121	120	125	134	...	...	...
Wool	78	129	82	100	97	102	...	101	129	129	122	...	...	...
Tea	126	121	100	100	134	201	...	212	168	155	170	...	...	...
PHILIPPINES														
Imports ^f	94	106	105	100	96	96	101	98	101	100	102	103	...	...
Exports	97	104	82	100	89	81	83	80	83	83	82	83	...	...
THAILAND														
Exports:														
Effective price in baht	98	117	104	100	97	122	...	143	128	122	...	...	...	...
Price in dollars (IMF index)	88	104	102	100	93	88	...	91	83	79	...	...	...	...
VIET-NAM^g														
Imports	71	75	81	100	101	94	90	85	85	86	98	92	91	...
Exports	72	90	88	100	94	99	97	101	108	81	88	88	101	...

EXTERNAL TRADE

10. INDEX NUMBERS OF UNIT VALUE, QUANTUM AND TERMS OF TRADE (Cont'd)

1953=100^a

	1950	1951	1952	1953	1954	1955	1956	1955	1956				1957	
									IV	I	II	III	IV	Jan	Feb
<i>B. Quantum</i>														
BURMA														
Imports	64 ^f		69 ^f	104	100	123	104	...	84	76	106	74	...	...
Exports	79 ^f		113 ^f	115	100	130	145	...	156	165	158	135	...	...
CEYLON														
Imports ^b General	84	94	96	100	99	97	105	103	101	96	108	118	...	...
Exports ^b General	92	93	97	100	103	109	103	123	97	102	115	95	...	...
Tea	89	91	94	100	108	108	112	115	102	108	109	136	...	...
Rubber	123	107	97	100	100	106	85	145	76	94	119	37	...	...
All coconut products	83	94	109	100	96	118	116	141	101	98	133	139	...	...
Imports (Central Bank index)	88	99	99	100	93	96	105	102	100	93	109	118	...	...
Consumer goods	89	95	98	100	89	95	106	101	99	90	111	126	...	...
Capital goods	85	109	104	100	103	104	102	107	103	104	103	91	...	...
CHINA (Taiwan)														
Imports (ordinary and ICA)	...	...	81	100	105	98	94	93	96	102	81	98	...	...
Exports	...	...	67	100	69	86	83	77	76	87	60	87	...	...
Food	...	...	65	100	68	85	81	73	101	85	56	83	...	...
INDIA ^d														
Imports: General	...	...	108	100	118	125	146	128	149	139	147	150	...	...
Food, drink and tobacco	...	...	185	100	144	70	56	50	86	42	48	48	...	...
Raw materials and semi-manufactures	...	...	100	100	105	99	97	85	118	86	100	85	...	...
Manufactures	...	...	88	100	115	159	207	180	190	206	209	225	...	...
Exports: General	...	...	100	100	105	115	109	114	116	101	105	114	...	...
Food, drink and tobacco	...	...	102	100	109	103	118	114	124	92	125	130	...	...
Raw materials and semi-manufactures	...	...	139	100	114	171	120	162	171	121	91	97	...	...
Manufactures	...	...	86	100	101	101	102	99	95	99	101	113	...	...
JAPAN ^e														
Imports: General	45	67	74	100	104	109	138	115	122	141	140	151	...	...
Foods	56	77	93	100	117	117	107	116	107	112	100	110	...	...
Raw materials	48	68	71	100	97	106	144	114	124	149	153	154	...	...
Mineral fuels	25	51	65	100	100	106	133	127	127	129	131	146	...	...
Chemicals	12	49	57	100	93	146	202	151	164	215	207	229	...	...
Machinery	5	42	54	100	113	93	126	93	213	127	116	137	...	...
Exports: General	78	87	92	100	133	174	208	207	189	202	205	237	...	...
Foods	40	51	78	100	93	105	136	136	134	128	133	150	...	...
Chemicals	34	45	55	100	126	162	207	154	202	211	206	191	...	...
Manufactured goods	81	89	94	100	140	186	222	220	199	216	219	255	...	...
Textiles	100	100	86	100	149	179	204	225	193	184	191	242	...	...
Metals	113	120	169	100	148	226	165	223	173	181	184	149	...	...
Machinery	51	54	64	100	112	157	290	213	228	298	265	383	...	...
MALAYA ^d														
Imports	99	131	116	100	107	128	139	130	133	137	147	143	...	...
Exports	121	128	109	100	110	118	127	117	120	121	133	134	...	...
PHILIPPINES														
Imports ^f	80	100	90	100	110	125	109	133	96	116	109	115	...	...
Exports	85	96	107	100	111	121	134	116	129	139	130	140	...	...
THAILAND														
Exports	114	112	100	100	87	108	...	97	110	108	98	...	...	...
VIET-NAM ^g														
Imports	72	75	103	100	113	91	77	115	88	73	70	77	...	...
Exports	111	153	123	100	113	132	85	137	85	48	116	91	...	...

C. Terms of trade

Percentage of unit value index of exports to unit value index of imports.

BURMA	33 ^f	|| 57 ^f	81	100	83	70	...	76	76	74	72	...	...	...
CEYLON	120	124	89	100	127	132	122	133	125	121	116	125	...	...
CHINA (Taiwan)	...	102	100	97	99	99	109	101	97	97	99	...	...	...
INDIA ^d	...	100	100	110	103	106	103	103	106	100	105	110	...	...
INDONESIA	132	138	102	100	106	120	...	124	117	111	111	...	...	...
JAPAN	92	98	94	100	100	96	97	96	98	98	97	96	...	...
MALAYA	120	143	116	100	104	130	121	137	127	116	118	120	...	...
PAKISTAN	158	167	140	100	109	99	...	83	88	92	86	...	...	...
PHILIPPINES	103	98	78	100	93	85	82	81	83	83	80	81	...	...
VIET-NAM ^g	102	120	109	100	94	||106	101	120	128	94	90	96	...	...

a. Original base: Burma, Apr 1936-Mar 1941 for the period prior to 1953, 1952 since 1953; China, 1952; Ceylon, 1954-58 for 1948, 1948 since 1950; India, Apr 1952/Mar 1955; Indonesia, 1950; Japan, 1954-56 for 1948, 1960 since 1950; Malaya, 1958 for period prior to 1953, 1952 since 1953; Pakistan, Apr 1948/Mar 1949; Philippines, 1948-49; Viet-Nam, 1949.

b. All trade indexes since 1950 except the annual import price index have been computed on a fixed base (1948) weights method. The annual import price index has been computed by using moving current weights on 1948 base.

c. Indexes compiled by Ministry of Finance. The commodity groups are abridged titles of selected SITC sections and divisions.

d. Figures from 1953, though linked to previous figures, have different treatment in imports and exports of petroleum products.

e. Index of f.o.b. export prices.

f. Based on f.o.b. import prices.

g. See footnote g to table 5.

11. INDEX NUMBERS OF WHOLESALE PRICES

1953=100^a

	1951	1952	1953	1954	1955	1956	1955	1956				1957	
							IV	I	II	III	IV	Jan	Feb
BURMA													
All agricultural produce . . .	121	103	100	100	96	99	104	95	96	101	103	103	...
Cereals . . .	112	107	100	101	107	103	111	98	104	109	103	100	...
Non-food agricultural produce .	148	112	100	114	107	103	105	99	99	108	108	108	...
CHINA (Taipei)													
General index . . .	75	92	100	102	117	132	129	129	130	130	138	140	...
Food . . .	63	78	100	105	114	123	122	122	120	120	130	130	...
Apparel . . .	89	107	100	94	110	106	122	112	108	101	105	106	...
Fuel and light . . .	73	89	100	106	116	142	127	133	139	144	150	157	...
Metals and electrical materials .	84	104	100	102	158	190	201	188	188	185	199	207	...
Building materials . . .	62	94	100	105	115	153	131	140	150	153	173	153	...
Manufactured products . . .	85	91	100	104	120	143	132	134	142	143	153	...	...
Industrial materials . . .	80	95	100	100	116	138	130	132	131	136	153	...	...
INDIA													
General index . . .	112	98	100	98	90	102	92	97	100	106	108	107	108
Food articles . . .	108	94	100	94	80	98	85	89	94	102	107	103	107
Industrial raw materials . . .	132	99	100	97	89	106	91	101	104	109	111	114	113
Semi-manufactured articles . . .	106	97	100	100	94	109	95	101	108	113	116	116	115
Manufactured goods . . .	108	103	100	102	102	104	101	102	103	106	106	105	105
INDONESIA (Djakarta) (imported goods)													
All articles . . .	99	94	100	109	145	...	138	135	130	133	...	...	...
Provisions . . .	68	84	100	110	144	...	149	147	139	140	...	...	...
Textile goods . . .	109	89	100	110	169	...	134	125	116	115	...	...	...
Chemicals . . .	99	90	100	109	151	...	144	140	137	136	...	...	...
Metals . . .	103	105	100	98	115	...	119	122	123	137	...	...	...
JAPAN													
General index . . .	97	100	100	99	98	102	98	99	101	103	105	106	106
Edible farm products . . .	84	93	100	112	112	109	109	108	110	109	108	109	109
Other foodstuffs . . .	99	103	100	106	103	101	101	100	100	101	103	105	103
Textiles . . .	126	101	100	92	87	88	86	87	91	87	88	88	87
Chemicals . . .	102	109	100	93	90	94	91	93	94	94	94	95	96
Metal and machinery . . .	109	105	100	94	97	116	101	107	112	120	125	125	125
Building materials . . .	77	85	100	104	96	104	95	96	99	108	111	113	115
Fuel . . .	79	100	100	96	101	105	103	105	102	104	109	113	112
Producer goods . . .	97	100	100	96	95	104	96	99	102	105	108	109	...
Consumer goods . . .	96	100	100	103	101	99	100	98	98	99	101	103	...
KOREA (Seoul, Aug-Dec 1953=100)													
General index . . .	...	...	100	124	225	303	242	246	297	343	326	366	357
Food grains . . .	...	...	100	97	234	366	241	246	364	459	396	416	406
Textile raw materials . . .	...	...	100	140	235	271	268	249	250	280	306	316	311
Textiles . . .	...	...	100	132	165	168	169	152	161	175	186	185	167
Building materials . . .	...	...	100	154	236	254	257	251	259	255	252	264	271
Fertilizers . . .	...	...	100	100	175	608	309	517	639	639	639	639	639
PHILIPPINES (Manila)													
General index . . .	110	101	100	95	92	96	93	92	96	97	97	98	96
Food . . .	110	107	100	97	95	97	96	93	97	100	98	101	96
Crude materials . . .	101	81	100	88	84	88	85	86	90	87	88	89	89
Mineral fuels . . .	99	105	100	97	95	95	95	94	94	96	97	99	101
Chemicals . . .	120	103	100	95	88	89	87	88	89	90	91	91	90
Manufactured goods . . .	137	109	100	96	92	100	92	96	100	101	102	102	102
Domestic products . . .	108	100	100	94	92	94	93	91	95	96	95	97	94
Exported products . . .	103	82	100	88	81	81	79	80	83	80	82	83	83
Imported products . . .	119	105	100	97	92	102	93	97	101	103	104	105	105
THAILAND (Bangkok)													
General index . . .	101	107	100	98	114	117	123	114	117	121	116	115	114
Agricultural produce ^b . . .	135	120	100	98	136	130	155	127	128	134	128	124	122
Foodstuff ^b . . .	82	98	100	96	108	116	116	110	116	121	113	113	112
Clothes . . .	143	131	100	99	102	101	103	102	101	101	101	101	101
Fuel . . .	98	101	100	103	108	109	108	109	109	109	109	109	109
Metal . . .	140	135	100	97	126	139	129	132	135	140	149	151	152
Construction materials . . .	90	97	100	103	104	103	104	102	102	103	105	105	105
VIET-NAM (Saigon-Cholon)													
General index . . .	77	87	100	106	117	124	129	126	124	129	115	116	114
Rice and paddy . . .	57	90	100	83	99	114	127	124	121	120	90	99	96
Other food products . . .	68	77	100	117	117	128	116	120	127	136	130	128	130
Fuel and mineral products . . .	82	83	100	120	121	132	121	125	134	133	135	135	131
Raw materials . . .	121	92	100	117	145	132	155	141	122	131	135	134	127
Semi-finished products . . .	82	87	100	120	123	131	124	126	128	134	137	132	131
Manufactured products . . .	99	93	100	122	126	123	128	122	123	129	118	103	105
Local products . . .	75	89	100	100	116	123	132	129	125	129	111	115	112
Imported products . . .	84	83	100	121	121	124	118	120	124	127	126	119	119

a. Original base: Burma, 1938-40; China, Jan-Jun 1957 except indexes of manufactured products and industrial materials for which the base is 1951; India, Sep 1938/Aug 1939; Indonesia, 1938; Japan, 1948 for 1950-51, 1952 since 1952; Korea, 1947; Philippines, 1949; Thailand, Apr 1939/Mar 1939; Viet-Nam, 1949.

b. Agricultural produce includes paddy, rice meal, copra, rubber, etc.; foodstuff includes milled rice, pork, banana, etc.

12. INDEX NUMBERS OF PRICES RECEIVED AND PAID BY FARMERS
 1953 = 100*

PRICES

	1951	1952	1953	1954	1955	1956	1955		1956				1957	
							IV	I	II	III	IV	Jan	Feb	
CHINA (Taiwan)														
Prices received by farmers (R)	51	74	100	92	102	110	109	114	107	102	118	...	...	...
Prices paid by farmers (P)	54	73	100	93	101	110	109	113	111	103	114	...	...	...
Cultivation cost	56	73	100	93	106	113	114	118	113	107	116	...	...	...
Domestic expenditure	53	73	100	92	100	109	106	111	110	102	113	...	...	...
Ratio (R) ÷ (P)	95	102	100	99	100	100	101	101	96	99	103	...	...	...
INDIA (Punjab)														
Prices received by farmers (R)	96	94	100	94	78	...	86	98	81	...	...	...	...	...
Prices paid by farmers (P)	107	102	100	98	86	...	89	95	93	...	...	...	...	...
Cultivation cost	117	105	100	92	79	...	84	92	87	...	...	...	...	...
Domestic expenditure	101	101	100	102	91	...	92	97	97	...	...	...	...	...
Ratio (R) ÷ (P)	90	92	100	96	90	...	96	103	87	...	...	...	...	...
JAPAN ^b (Apr 1953-Mar 1954=100)														
Prices received by farmers (R)	...	85‡	100‡	97‡	100‡	99	99	99	100	100	98	98	98	98
Prices paid by farmers (P)	...	98‡	100‡	103‡	101‡	102	100	101	101	101	103	104	104	104
Cultivation cost	...	99‡	100‡	102‡	98‡	98	97	97	97	98	99	100	101	101
Domestic expenditure	...	97‡	100‡	103‡	103‡	103	102	103	103	103	104	106	111	111
Ratio (R) ÷ (P)	...	87‡	100‡	92‡	98‡	97	98	98	98	99	95	94	95	95

a. Original base: China, 1952; India, Sep 1938/Aug 1939; Japan, Apr 1951/Mar 1952.

b. Index numbers of commodity prices in 473 towns or villages. Annual figures relate to fiscal year April to March, except 1956 which relates to calendar year.

13. INDEX NUMBERS OF COST OF LIVING 1953 = 100^a

	1951	1952	1953	1954	1955	1956	1955	1956				1957	
							IV	I	II	III	IV	Jan	Feb
<i>A. All items</i>													
BURMA: Rangoon	107	103	100	96	98	109	103	102	115	114	112	114	...
CAMBODIA: Phnom-Penh (1952=100)	89	100	...	139	155	164	163	161	166	167	160	156	161
CEYLON: Colombo	99	|| 98	100	100	99	99	99	99	98	99	99	99	99
CHINA: Taipei	66	85	100	102	112	123	117	120	121	121	131	132	...
HONG KONG	98	99	100	98	95	97	95	94	95	95	101	101	101
INDIA (interim index)	98	97	100	95	90	99	92	93	98	101	102	102	101
JAPAN (urban)	89	94	100	106	105	106	104	105	106	106	107	108	109
KOREA (southern)	28	69	100	135	229	285	238	242	276	307	314	356	362
LAOS: Vientiane	53	74	100	123	125	...	126	131	137	146	...	...	...
MALAYA: Federation (Malay)	101	103	100	94	91	92	91	92	92	92	93	96	...
PAKISTAN: Karachi	88	90	100	98	94	97	95	96	96	99	99	103	...
Narayanganj	94	101	100	84	85	...	97	99	118	141	...	...	...
PHILIPPINES: Manila	111	103	100	99	98	101	99	98	100	102	103	102	103
THAILAND: Bangkok	82	91	100	100	105	111	107	109	110	112	115	114	115
VIET-NAM: Saigon	64	78	100	112	124	139	135	135	138	147	134	129	132

A. All items

BURMA: Rangoon	107	103	100	96	98	109	103	102	115	114	112	114	...
CAMBODIA: Phnom-Penh (1952=100)	89	100	...	139	155	164	163	161	166	167	160	156	161
CEYLON: Colombo	99	98	100	100	99	99	99	99	99	98	99	99	99
CHINA: Taipei	66	85	100	102	112	123	117	120	121	121	131	132	...
HONG KONG	98	99	100	98	95	97	95	94	95	101	101	99	101
INDIA (interim index)	98	97	100	95	90	99	92	93	98	101	102	102	101
JAPAN (urban)	89	94	100	106	105	106	104	105	106	106	107	108	109
KOREA (southern)	28	69	100	135	229	285	238	242	276	307	314	356	362
LAOS: Vientiane	53	74	100	123	125	...	126	131	137	146	...	...	...
MALAYA: Federation (Malay)	101	103	100	94	91	92	91	92	92	92	93	95	...
PAKISTAN: Karachi	88	90	100	98	94	97	95	96	96	99	99	103	...
Narayanganj	94	101	100	84	85	...	97	99	118	141	...	...	...
PHILIPPINES: Manila	111	103	100	99	98	101	99	98	100	102	103	102	103
THAILAND: Bangkok	82	91	100	100	105	111	107	109	110	112	115	114	115
VIET-NAM: Saigon	64	78	100	112	124	139	135	135	138	147	134	129	132

R Feed

BURMA: Rangoon	108	104	100	97	96	106	101	96	111	110	105	109	...	
CAMBODIA: Phnom-Penh (1952=100)	85	100	...	137	159	173	173	167	176	179	169	162	165	
CEYLON: Colombo	96	|| 94	100	100	99	97	100	99	98	95	98	98	97	
CHINA: Taipei	62	79	100	102	108	125	116	121	121	121	139	133	...	
HONG KONG	94	95	100	95	90	96	91	89	91	102	101	97	101	
INDIA (interim index)	96	94	100	93	85	96	87	88	96	100	101	...	...
INDONESIA: Djakarta	89	94	100	106	141	161	158	173	156	155	161	157	...	
JAPAN (urban)	91	94	100	108	105	104	103	103	104	104	103	104	106	
KOREA (southern)	27	78	100	117	207	273	207	214	265	314	299	331	335	
LAOS: Vientiane	47	70	100	122	118	271	116	117	122	123	...	...	...
MALAYA: Federation (Malay)	101	103	100	90	87	88	86	87	87	87	89	92	...	
PAKISTAN: Karachi	89	93	100	98	95	100	97	97	98	104	103	108	...	
		Narayanganj		93	103	100	79	80	...	96	97	124	153	...
PHILIPPINES: Manila	111	106	100	99	98	102	101	98	101	103	106	103	106	
THAILAND: Bangkok	81	91	100	98	103	108	106	105	106	110	113	112	114	
VIET-NAM: Saigon	59	80	100	107	122	140	137	136	140	151	134	127	131	

GENERAL NOTES: All figures are applicable to working class except the following countries: China, public servants; Hong Kong, clerical and technical workers; Indonesia, government employee; Japan, urban population; Laos, middle class; Thailand, low salaried workers and civil servants.

a. Original base: Burma, 1941; Cambodia, 1949; Ceylon, Nov. 1942 for 1950-51; 1952 since 1956; China, Jan-Jun 1957; Hong Kong, Mar 1957; India, 1949; Indonesia, Jul 1958; Japan, 1948 for 1956, 1957 since 1951; Korea, 1947; Laos, Dec 1948; Malaya, Jan 1949; Pakistan, Apr 1948/Mar 1949; Philippines, 1949; Thailand, Apr 1938/Mar 1939; Viet-Nam, 1949.

EMPLOYMENT AND WAGES

1952

14. EMPLOYMENT AND WAGES

Base for index Numbers, 1953^a

	1948	1952	1953	1954	1955	1956	1955	1956				1957	
							IV	I	II	III	IV	Jan	Feb
CEYLON													
Index of wages													
Tea and rubber estate workers ^b	66	98	100	102	106	107	106	107	107	106	107	106	106
Government workers (Colombo) ^c	86	99	100	100	104	106	106	106	106	106	106	106	106
Index of real wages													
Tea and rubber estate workers ^b	75	101	100	103	107	108	107	109	108	108	108	107	107
Government workers (Colombo) ^c	102	108	100	101	106	107	106	107	107	108	107	107	107
CHINA (Taiwan)													
Employment ^d (1,000)													
Mining	79	56	57	53	55	55	58	59	63	...	...	...	...
Manufacturing	114	208	238	258	258	258	258	259	259	259	...	...	...
Transport	...	...	55	64	66	66	67	67	68	...	...	...	...
Index of earnings													
Mining	...	98	100	105	131	165	158	163	176	...	...	...	...
Manufacturing	...	80	100	111	125	131	142	137	137	...	...	...	...
Index of real earnings ^e													
Mining	...	111	100	110	124	131	138	142	157	...	...	...	...
Manufacturing	...	90	100	117	119	118	124	119	123	...	...	...	...
INDIA													
Employment ^f (1,000)													
Factories under Factory Act	2,360	2,443	2,403	2,590	2,661	...	...	...	...	...	...	...	...
Cotton mills	644	741	744	741	758	807	387	786	790	826	826	834	...
Coal mines ^g	308	342	338	332	341	333	335	340	332	329	333	...	...
Central government ^h													
Office workers	...	209	213	221	251	281	251	256	266	276	281	...	...
Manual workers	...	406	403	412	396	388	396	398	394	391	388	...	...
Wages or earnings (rupees)													
Cotton mills ⁱ (monthly, Bombay)	...	89.3	96.0	96.3	94.8	98.9	91.4	92.5	100.2	102.2	100.8	...	...
Coal mines ^j (weekly, Jahria)	2.4	13.0	13.2	14.2	14.2	17.4	14.3	14.2	14.5	20.1	20.6	...	...
JAPAN													
Employment ^k (million)													
All industries	34.6	37.3	39.6	40.1	41.5	42.3	42.3	42.8	43.6	43.0	43.0	40.3	...
Agriculture, forestry & hunting	16.4	16.4	17.2	16.9	17.2	16.8	17.3	14.2	18.6	17.9	16.7	13.3	...
Mining	0.6	0.6	0.6	0.6	0.5	0.5	0.5	0.4	0.4	0.5	0.5	0.6	...
Manufacturing	6.3	6.5	6.8	7.1	7.2	7.7	7.5	7.9	7.4	7.7	7.6	7.8	...
Construction	...	1.5	1.6	1.7	1.8	1.8	2.0	1.9	1.7	1.8	1.9	2.2	...
Commerce	...	5.4	5.8	6.4	6.8	7.0	6.8	6.8	7.0	7.0	7.3	7.4	...
Transportation and Communication and other public utilities	...	1.9	2.0	1.9	2.0	2.1	2.0	2.1	2.1	2.0	2.2	2.2	...
Services (non-government)	...	3.4	3.7	3.8	4.3	4.6	4.7	4.7	4.6	4.3	5.0	5.0	...
Index of earnings ^m													
Mining	33	89	100	102	110	122	124	101	116	125	144	118	...
Manufacturing	28	88	100	106	112	124	131	106	117	124	149	113	...
Index of real earnings ^m													
Mining	53	94	100	96	105	115	119	96	110	119	135	109	...
Manufacturing	45	94	100	100	106	117	126	101	110	117	140	104	...
Daily money wages of agricultural labour, male (yen)	185	230	257	285	301	308	310	283	317	313	319	295	295
KOREA, southern													
Index of earnings ^e (Seoul)													
Manufacturing and construction industries ⁿ	1	61	100	176	297	357	336	341	349	363	374	...	...
PHILIPPINES													
Index of employment ^p													
Mining	...	108	100	77	81	88	84	86	89	88	89	...	...
Manufacturing	...	91	100	106	106	107	105	111	108	102	108	...	...
Index of wages ^q (Manila)													
Skilled	101	98	100	101	101	101	100	100	101	102	100	...	...
Unskilled	92	97	100	99	102	103	103	103	102	104	104	...	...
Index of real wage (Manila)													
Skilled	90	92	100	101	102	103	101	103	104	103	102	...	...
Unskilled	82	92	100	100	103	106	103	106	105	105	106	...	...
THAILAND													
Employment—Mining ^f (1,000)	10.4	15.1	14.9	15.5	16.1	17.3	15.9	15.8	16.2	17.0	17.3	17.0	17.0
VIET-NAM													
Daily wages ^a (Saigon-Cholon, piastre)													
Skilled	22.0 ^u	41.2	55.6	73.2	86.7	...	86.7	...	...	...	...	...	...
Unskilled (male)	15.4 ^u	22.8	31.8	37.4	47.8	...	47.8	...	...	...	...	...	...

a. Original bases for wages or earnings index: Ceylon, 1939; China 1948; Japan, 1947; Korea, 1936; Philippines, 1941.

b. Daily rates of minimum wages (basic wages plus special allowance).

c. Monthly wage rates for unskilled male workers in government employment.

d. Staffs and permanent workers at end of period.

e. Daily average of wages and allowances including payment in kind.

f. Daily averages.

g. Average daily employment in all coal mines governed by the Indian Mines Act. Monthly figures are slightly short of total coverage.

h. Central Government establishments excluding railways. Office workers comprise administrative, executive and clerical staffs; manual workers comprise skilled, semi-skilled and unskilled workers.

Figures relate to end of period.

i. Monthly minimum basic wages plus dearness allowance.

j. Average weekly earnings (basic wages plus dearness allowance and other payments) of underground miners and loaders in coal mines.

k. For 1948, average for calendar week beginning first Sunday of each month. From 1951, average for the week ending on the last day of the month, except for December when the week prior to holiday seasons was chosen.

m. Average monthly cash earnings per permanent worker.

n. Excluding looms.

p. Comprises all full and part-time employees of 734 cooperating establishments in the Philippines who were on the payroll, i.e., who worked during, or received pay for, the pay period ending nearest the 15th of the month. Excluding proprietors, self-employed persons, domestic servants and unpaid workers.

q. Daily average wage rates of all classes of workers.

s. Last day of the period.

t. Average daily earnings in December.

u. 1949.

15. CURRENCY AND BANKING

CURRENCY AND BANKING

End of period

	1948	1952	1953	1954	1955	1956	1955		1955-6				1957	
							IV	I	II	III	IV	Jan	Feb	
BURMA (Mn kyats)														
Money supply	499	635	780	859	1,124	...	1,124	1,392	1,372	1,342	...	...	...	...
Currency: net active	335	414	500	575	725	...	725	939	895	857	830	...	...	...
Deposit money	164	221	280	284	398	...	398	454	477	486	...	...	...	...
Private time deposits	27	59	54	82	125	...	125	125	116	117	...	...	...	...
Government deposits	53	567	464	301	229	...	229	143	253	320	...	...	...	...
Union Bank of Burma	53	567	464	176	131	115	131	55	153	187	115	...	...	...
Commercial Banks ^a	...	...	...	125	98	...	98	88	100	133	...	...	...	...
Bank clearings	149	181	234	241	283	333	299	309	340	370	312	...	...	...
Foreign assets	406	989	1,058	643	531	652	531	672	648	720	652	...	...	...
Union Bank of Burma ^b	358	940	991	555	415	535	415	517	510	588	535	493	453	...
Commercial Banks	48	49	67	88	116	117	116	155	138	132	117	...	...	...
Claims on private sector	73	162	148	163	190	262	190	275	235	199	262	302	376	...
(commercial banks)	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Claims on government	147	187	214	549	941	1,054	941	1,011	1,009	1,099	1,054	1,053	1,122	...
Union Bank of Burma ^c	139	162	150	388	652	662	652	767	756	775	662	708	828	...
Commercial Banks	8	25	64	161	289	392	289	244	253	324	392	345	294	...
Rates of interest (% per annum)														
Call money rate	1.64	1.10	0.98	1.27	...	...	1.00	1.33	1.00	0.92	...	...	...	...
Yield of long term gov't bonds ^d	3.00	3.00	3.00	3.00	...	...	3.00	3.00	3.00	3.00	...	...	...	...
CAMBODIA (Mn riel)														
Money supply	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Currency: in circulation	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Demand deposits in commercial banks	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Private time deposits	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Bank clearings	125	273	446	412	454	406	443	405	395	426	332	...	...	...
Foreign assets	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Banque Nationale du Cambodge	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Commercial Banks	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Claims on private sector	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Claims on government by Banque Nationale du Cambodge	...	...	...	...	...	...	...	...	...	...	...	...	...	...
CEYLON (Mn rupees)														
Money supply	607	896	827	957	1,073	1,128	1,073	1,048	1,056	1,064	1,127	1,131	1,105	...
Currency: net active	241	357	335	342	384	402	384	385	410	409	401	395	398	...
Deposit money	366	539	492	615	688	726	688	664	647	654	726	736	707	...
Private time deposits	253	390	387	420	451	507	451	465	478	502	507	519	521	...
Government deposits	...	59	53	69	116	176	116	190	230	209	176	187	196	...
Central Bank of Ceylon	...	10	7	16	42	67	42	113	128	51	67	61	93	...
Commercial Banks	...	49	46	53	74	109	74	77	102	158	109	126	103	...
Bank clearings	391	688	671	684	758	735	786	720	718	772	732	820	782	...
Bank debits ^e	1,109	1,148	1,107	1,060	1,063	1,053	1,046	1,048	1,076	1,084	1,343	1,188	...	...
Foreign assets	636	497	342	656	880	898	880	865	896	906	898	908	881	...
Central Bank of Ceylon	462	401	245	524	655	737	655	674	730	729	737	736	718	...
Commercial Banks	174	96	97	132	225	161	225	191	166	177	161	172	163	...
Claims on the private sector	82	195	207	247	256	344	256	264	314	316	344	348	372	...
Claims on government	369	752	794	621	601	676	601	669	658	656	676	680	694	...
Central Bank of Ceylon	...	161	223	27	18	11	18	37	17	14	11	10	10	...
Other banks	369	591	571	594	583	665	583	632	641	642	665	670	684	...
Rates of interest (% per annum)														
Call money rate	0.50	0.96	1.27	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12
Treasury bill rate	0.22	0.72	1.91	1.59	0.79	0.68	0.83	0.57	0.66	0.76	0.74	0.50	0.47	...
Yield of long term gov't bonds ^f	2.94	2.93	3.85	3.79	3.13	3.04	3.08	3.05	3.05	3.03	3.01	3.00	3.00	...
CHINA (Taiwan, Mn NT dollars)														
Money supply	1,275	1,634	2,085	2,719	3,255	2,719	2,616	2,688	3,054	3,255	3,580	3,271	...	...
Currency: net active	712	919	1,140	1,372	1,540	1,372	1,261	1,318	1,366	1,540	1,921	1,517	...	...
Deposit money	563	715	945	1,347	1,715	1,347	1,355	1,370	1,688	1,715	1,659	1,754	...	...
Time deposits in banks	...	...	...	...	970	1,044	970	929	879	937	1,044	990	1,094	...
Government deposits	...	564	781	864	1,237	864	1,000	1,050	1,288	1,237	1,221	1,228	1,305	...
Bank of Taiwan ^g	...	536	743	826	1,167	826	956	985	1,221	1,167	1,163	1,231	...	...
Other banks	...	28	38	38	70	38	44	65	67	70	65	74	...	...
Counterpart funds	...	637	630	1,405	1,550	1,405	1,518	1,511	1,352	1,550	1,662	1,819	...	...
Bank clearings	862	1,740	1,720	2,887	3,872	3,909	3,320	3,874	3,718	4,574	4,474	3,561	...	...
Claims on private sector ^h	...	...	1,325	2,023	2,410	2,023	2,049	2,114	2,285	2,410	...	...	...	...
Bank of Taiwan	...	...	62	279	348	279	262	333	370	348	371	385	...	...
Other banks	...	...	915	1,322	1,486	1,322	1,334	1,300	1,395	1,486	1,538	1,526	...	...
Related institution	...	...	348	422	576	422	453	481	520	576	...	...	...	...

CURRENCY AND BANKING

15. CURRENCY AND BANKING (Cont'd)

End of period

	1948	1952	1953	1954	1955	1956	1955	1956				1957	
							IV	I	II	III	IV	Jan	Feb
CHINA (Taiwan, Mn NT dollars) (Cont'd)													
Claims on government ⁱ	...	...	...	1,297	1,502	1,893	1,502	1,502	1,661	1,604	1,893	1,986	2,077
Bank of Taiwan	...	...	...	1,284	1,490	1,870	1,490	1,489	1,640	1,586	1,870	1,963	2,053
Other banks	...	...	...	13	12	23	12	13	21	18	23	23	24
Claims on public enterprises ^h	...	...	...	1,533	1,907	2,423	1,907	1,889	1,945	2,428	2,423	2,728	2,621
Bank of Taiwan	...	...	...	1,506	1,860	2,385	1,860	1,855	1,920	2,385	2,385	2,688	2,580
Other banks	...	...	...	27	47	38	47	34	25	43	38	40	41
Call money rate (% per annum) Δ	...	10.80	9.00	7.20	7.20	5.70	7.20	6.60	5.40	5.40	5.40	...	...
HONG KONG (Mn HK dollars)													
Money supply	...	...	...	...	...	...	...	...	...	...	...	...
Currency notes: in circulation	783	802	802	728	727	732	727	727	727	730	732	748	747
Bank clearings Δ	689	1,195	1,035	1,140	1,160	1,276	1,270	1,284	1,277	1,225	1,317	1,656	1,165
INDIA (1,000 Mn rupees)													
Money supply	19.76	17.13	17.09	18.32	20.47	21.79	20.47	21.84	21.89	21.09	21.79	22.20	22.62
Currency: net active	12.70	11.56	11.66	12.25	13.86	14.87	13.86	15.05	15.04	14.36	14.87	15.10	15.28
Deposit money	7.06	5.57	5.43	6.08	6.61	6.92	6.61	6.79	6.84	6.73	6.92	7.10	7.34
Private time deposits	3.13	4.40	4.68	5.26	6.13	...	6.13	6.30	6.74	6.92	...	...	...
Government deposits (Reserve Bank of India)	2.16	1.78	1.16	0.60	0.59	0.65	0.59	0.68	0.62	0.76	0.65	0.61	0.64
Bank clearings Δ	5.55	5.71	5.49	5.58	6.52	7.03	6.71	7.08	7.04	6.72	7.30	8.41	7.33
Foreign assets (Reserve Bank of India)	10.67	7.46	7.63	7.71	7.75	6.48	7.75	7.86	7.32	6.55	6.48	6.28	6.37
Claims on private sector	4.26	5.54	5.47	6.16	7.04	...	7.04	8.21	8.46	8.42	...	...	...
Commercial Banks	4.26	5.37	5.28	5.95	6.78	...	6.78	7.93	8.12	8.05	...	...	...
Cooperative banks	...	0.17	0.19	0.21	0.26	0.36	0.26	0.28	0.34	0.37	0.36	0.37	...
Claims on government	10.78	11.94	11.78	12.11	14.05	...	14.05	15.30	15.55	15.79	...	...	...
Reserve Bank of India	4.86	6.44	6.06	6.04	7.13	9.82	7.13	8.41	8.70	8.63	9.82	10.22	11.59
Other banks	4.63	4.34	4.58	4.98	5.74	...	5.74	5.66	5.60	6.01	...	...	...
Treasury currency	1.29	1.16	1.14	1.09	1.18	1.15	1.18	1.23	1.25	1.15	1.15	1.15	1.17
Rates of interest (% per annum)	...	...	...	...	...	...	...	...	...	...	...	...	...
Call money rate Δ	0.50	2.02	2.12	2.35	2.59	3.21	2.42	3.10	3.13	3.15	3.46	3.50	3.50
Yield of long-term govt. bonds ^j Δ	...	3.69	3.64	3.65	3.72	3.92	3.73	3.79	3.89	3.96	4.06	4.10	4.06
INDONESIA (1,000 Mn rupiah)													
Money supply	2.81	6.60	7.49	10.96	12.81	13.89	12.81	11.80	11.76	12.40	13.89	...	...
Currency: net active	1.53	4.36	5.22	7.54	8.82	9.60	8.82	7.92	8.21	8.49	9.60	...	...
Deposit money	1.28	2.24	2.27	3.42	3.99	4.29	3.99	3.88	3.56	3.91	4.29	...	...
Private time deposits	...	0.18	0.24	0.29	0.34	...	0.34	0.36	0.35	0.35	...	...	...
Foreign assets (net)	0.79	1.79	2.02	1.73	2.74	...	2.74	2.09	0.98	1.27	...	...	...
Bank Indonesia (net)	0.55	0.91	1.30	1.15	1.95	...	1.95	1.52	0.50	0.73	...	...	...
Gross foreign assets	0.55	1.78	2.40	2.89	3.50	...	3.50	3.02	2.18	2.58	...	...	...
Foreign liabilities ^k	...	0.87	1.10	1.74	1.55	1.99	1.55	1.50	1.68	1.85	1.99	...	...
Other banks	0.24	0.88	0.72	0.58	0.79	0.76	0.79	0.57	0.48	0.54	0.76	...	...
Claims on private sector	0.27	2.42	2.40	2.83	4.02	5.06	4.02	4.39	4.67	4.75	5.06	...	...
Bank Indonesia	0.10	0.73	0.44	0.46	0.86	1.00	0.86	0.73	0.90	0.86	1.00	...	...
Other banks	0.17	1.69	1.96	2.37	3.16	4.06	3.16	3.66	3.77	3.89	4.06	...	...
Claims on government	1.80	5.42	5.88	9.27	9.29	...	9.29	8.75	9.61	10.43	...	...	...
Bank Indonesia	0.78	5.03	5.40	8.61	8.51	...	8.51	8.10	8.86	9.67	...	...	...
Other banks	0.22	0.13	0.14	0.18	0.21	...	0.21	0.22	0.22	0.22	...	...	...
Treasury currency	0.80	0.26	0.34	0.48	0.57	...	0.57	0.43	0.53	0.54	...	...	...
JAPAN (1,000 Mn yen)													
Money supply	618	1,265	1,439	1,463	1,698	2,022	1,698	1,547	1,642	1,711	2,022	1,847	...
Currency: net active	338	554	609	604	648	746	648	536	567	566	746	640	...
Deposit money	280	710	829	859	1,049	1,276	1,049	1,011	1,074	1,145	1,276	1,207	...
Time deposits (other banks)	133	1,031	1,336	1,588	2,089	2,674	2,089	2,193	2,294	1,446	2,640	2,668	...
Government deposits	14	107	93	86	169	187	169	252	178	198	187	181	...
Bank of Japan	14	92	60	56	51	54	51	138	42	52	54	48	172
Other banks	...	15	33	30	118	133	118	114	136	146	133	133	40
Bank clearings Δ	236	1,624	2,080	2,430	2,750	3,342	3,107	2,873	3,107	3,355	4,033	3,461	132
Foreign assets	...	419	366	407	530	593	530	561	573	567	593	567	3,620
Bank of Japan	...	18	18	18	185	179	185	178	177	178	179	179	...
Government	...	378	304	350	297	364	297	338	348	351	364	342	...
Other banks	...	23	44	39	48	50	48	45	48	38	50	46	...
Claims on private sector	419	2,204	2,801	2,995	3,341	4,404	3,341	3,427	3,643	3,993	4,404	4,459	...
Bank of Japan	52	223	299	243	32	140	32	27	63	91	140	166	242
Other banks	367	1,981	2,502	2,752	3,309	4,264	3,309	3,400	3,580	3,902	4,264	4,293	...
Claims on government	408	359	368	527	619	639	619	612	504	482	638	502	...
Bank of Japan	332	324	326	485	555	587	555	562	455	435	587	452	344
Other banks	76	35	42	42	64	52	64	50	49	48	51	50	...
Rates of interest (% per annum)	...	...	...	...	...	...	...	...	...	...	...	...	...
Call money rate (Tokyo) Δ	...	8.05	7.82	7.84	7.36	6.57	6.32	5.66	5.54	7.30	7.79	7.30	9.49
Yield of long-term govt. bonds ^m Δ	...	5.50	6.68	7.01	6.33	6.34	6.34	6.34	6.33	6.34	6.34	6.34	6.36

15. CURRENCY AND BANKING (Cont'd) CURRENCY AND BANKING
End of period

	1948	1952	1953	1954	1955	1956	1955	1956				1957	
							IV	I	II	III	IV	Jan	Feb
KOREA (southern, 1,000 Mn hwan)													
0.077	Money supply	15.5	33.6	61.9	97.3	131.6	97.3	96.6	108.4	112.1	131.6	126.2	...
0.053	Currency: in circulation	9.8	22.4	40.1	58.8	73.4	58.8	49.8	54.5	61.0	73.4	72.0	...
24	Deposit money	5.7	11.2	21.8	38.6	58.2	38.6	46.8	53.9	51.1	58.2	54.2	...
0.621	Uncleared checks and bills	1.0	2.0	4.2	6.0	15.2	6.0	9.6	12.8	12.7	15.2	6.4	...
0.580	Time deposits ⁿ	0.5	3.8	4.7	9.8	16.6	9.8	15.9	16.8	18.5	16.6	13.4	...
41	Bank clearings	0.2	13.7	21.4	51.8	107.4	207.7	124.0	211.9	181.1	221.9	216.8	236.0
747	Government deposits	8.7	15.9	17.6	33.4	68.0	33.4	47.9	63.5	70.7	68.0	71.4	...
165	Counterpart funds	—	0.2	16.1	14.2	83.0	14.2	28.2	55.2	50.0	83.0	79.0	...
2.62	Foreign assets (Bank of Korea)	4.7	12.6	8.4	14.2	15.7	14.2	12.0	14.5	15.6	15.7	16.6	...
5.28	Gross foreign assets	5.0	19.6	19.4	47.4	48.6	47.4	45.1	47.8	48.6	48.6	49.5	...
7.34	Foreign liabilities ^p	0.3	4.4	8.5	23.4	23.1	23.4	23.3	23.5	23.2	23.1	23.1	...
0.64	Revaluation proceeds	—	2.6	2.5	9.8	9.8	9.8	9.8	9.8	9.8	9.8	9.8	...
7.33	Claims on private sector	6.0	20.8	24.0	42.6	76.6	42.6	47.4	65.1	78.6	76.6	77.3	...
6.37	Bank of Korea	0.6	5.5	2.0	5.5	5.8	5.5	5.5	5.9	5.8	5.8	5.8	...
0.059	Other banks	5.4	15.3	22.0	37.1	70.8	37.1	41.9	59.2	72.8	70.8	71.5	...
1.17	Claims on government	12.2	24.7	68.0	111.4	213.4	111.4	134.5	163.0	159.9	213.4	205.7	...
3.50	Bank of Korea	12.0	24.1	66.9	109.5	209.7	109.5	132.3	160.2	156.7	209.7	201.5	...
4.06	Other banks	0.2	0.6	1.1	1.9	3.7	1.9	2.2	2.8	3.2	3.7	4.2	...
0.64	Claims on official entities	2.5	4.7	0.9	3.5	5.4	3.5	3.2	2.7	4.8	5.4	5.3	...
7.33	Bank of Korea	1.4	1.8	0.5	2.7	4.0	2.7	2.5	2.0	4.0	4.0	4.0	...
6.37	Commercial Banks	1.1	2.9	0.4	0.8	1.4	0.8	0.7	0.7	0.8	1.4	1.3	...
LAOS (Mn kip)													
0.059	Money supply	—	—	—	—	—	—	—	—	—	—	—	—
0.059	Currency notes in circulation	—	—	—	—	—	—	—	—	—	—	—	—
0.059	Foreign assets (Banque Nationale du Laos)	—	—	—	—	—	—	—	—	—	—	—	—
MALAYA (Mn Malayan dollars)													
0.059	Money supply	1,509	1,562	1,796	1,806	1,796	1,851	1,753	1,800	1,806	1,806	1,806	...
0.059	Currency: net active	674	710	861	892	860	872	857	876	892	892	892	...
0.059	Deposit money	598	989	835	852	935	914	935	979	986	924	914	861
0.059	Time deposits	147	357	400	437	628	574	628	614	622	610	574	...
0.059	Bank debits ^u	3,396	2,946	2,828	3,412	3,757	3,727	3,729	3,616	3,782	3,900	4,361	...
0.059	Foreign assets held by banks	263	574	550	561	701	515	701	690	588	636	515	...
0.059	Claims on private sector	436	621	580	642	776	913	776	813	836	880	913	973
0.059	Claims on government	97	149	162	174	188	190	188	186	185	184	190	...
PAKISTAN (Mn rupees)													
0.059	Money supply	2,698	3,220	3,568	3,856	4,546	4,933	4,546	4,721	4,665	4,566	4,933	5,024
0.059	Currency in circulation	1,708	2,151	2,372	2,575	2,990	3,464	2,990	3,120	3,053	3,064	3,464	3,550
0.059	Deposit money	990	1,069	1,196	1,281	1,556	1,469	1,556	1,601	1,612	1,502	1,469	1,491
0.059	Time deposits	460	557	644	808	889	968	889	921	966	966	968	...
0.059	Bank clearings ^s	306	534	536	555	593	696	701	786	621	613	766	887
0.059	Government deposits	923	377	216	173	152	432	152	178	250	359	432	461
0.059	Foreign assets (State Bank of Pakistan) ^t	1,629	933	935	1,038	1,648	1,659	1,648	1,717	1,738	1,665	1,659	1,659
0.059	Claims on private sector (scheduled banks)	410	792	802	984	1,183	1,256	1,183	1,168	936	988	1,256	1,251
0.059	Claims on government	176	1,214	2,070	2,394	2,243	2,774	2,243	2,272	2,250	2,353	2,774	...
0.059	State Bank of Pakistan	176	1,214	1,250	1,457	1,207	1,664	1,207	1,225	1,154	1,223	1,664	1,685
0.059	Other banks	66	203	213	230	260	279	260	267	269	269	279	286
0.059	Treasury currency	—	—	—	—	—	—	—	—	—	—	—	—
0.059	Claims on provincial governments (scheduled banks)	—	—	91	92	110	115	110	110	107	118	115	117
0.059	Rates of interest (% per annum)	—	—	—	—	—	—	—	—	—	—	—	—
0.059	Call money rate	2.10	1.01	1.30	1.45	2.04	1.77	2.92	1.49	1.08	2.69	3.00	3.00
0.059	Yield of long-term government bonds ^u	2.98	3.06	3.14	3.15	3.15	3.15	3.15	3.14	3.13	3.16	3.20	3.20
PHILIPPINES (Mn pesos)													
0.059	Money supply	1,198	1,224	1,227	1,335	—	1,335	1,382	1,417	1,451	—	—	...
0.059	Currency: net active	630	666	677	670	—	670	690	675	689	—	—	...
0.059	Deposit money	568	558	550	665	781	665	692	742	759	781	—	...
0.059	Private time deposits	279	407	461	528	585	—	585	600	598	631	—	...
0.059	Bank clearings	381	480	520	550	614	739	642	717	744	719	775	...
0.059	Bank debits ^v	772	659	743	815	921	—	983	1,134	1,189	1,125	—	...
0.059	Government deposits	22	175	150	132	196	—	196	188	334	330	—	...
0.059	Central Bank of the Philippines	116	55	32	63	—	63	70	190	158	—	—	...
0.059	Philippine National Bank	22	59	95	100	133	168	133	118	144	172	168	...
0.059	Foreign assets	883	612	593	545	418	440	418	443	468	475	440	...
0.059	Central Bank	800	472	481	415	310	322	310	303	332	338	322	298
0.059	Other banks (net)	83	140	112	130	108	118	108	140	136	137	118	...

CURRENCY AND BANKING

15. CURRENCY AND BANKING (Cont'd)

End of period

	1948	1952	1953	1954	1955	1956	1955	1956				1957	
							IV	I	II	III	IV	Jan	Feb
PHILIPPINES (Mn pesos) (Cont'd)													
Claims on private sector (other banks)	762	846	935	1,100	1,240	1,100	1,079	1,105	1,190	1,240	...	...
Claims on government	40	376	439	417	577	577	605	702	709	...	...	...
Central Bank of the Philippines	357	344	304	349	...	349	316	315	297	...	...	...
Other banks	40	19	95	113	228	228	289	387	412	...	...	...
Claims on official entities	78	98	124	160	226	226	241	268	262	...	...	...
Central Bank of the Philippines ^w	44	52	115	185	...	185	198	199	198	...	...	...
Other banks	78	54	72	45	41	41	43	69	64	...	...	...
THAILAND (Mn baht)													
Money supply	2,881	4,932	5,438	6,058	6,915	...	6,915	7,011	7,010	...	...	...
Currency: net active	2,205	3,678	4,016	4,548	5,176	...	5,176	5,359	5,174	...	...	...
Deposit money	676	1,254	1,422	1,510	1,740	...	1,740	1,652	1,836	...	...	...
Time deposits	292	436	518	652	824	...	824	816	...	...	...	...
Government deposits	568	841	1,221	974	1,110	...	1,110	1,390	...	...	...	...
Bank of Thailand	533	670	975	693	763	...	763	981	...	...	...	...
Deposit money banks	35	171	246	281	347	...	347	409	...	...	...	...
Bank clearings	774	2,270	2,366	2,230	2,598	2,816	2,816	3,092	2,640	2,626	2,906	3,372	
Bank debits ^x	2,989	3,196	3,127	3,600	...	3,862	4,191	...	...	...	...	...
Foreign assets	2,180	2,344	1,159	193	2,643	2,922	2,643	2,785	2,742	2,828	2,922	3,139	
Bank of Thailand	2,180	4,434	3,782	3,426	4,585	4,840	4,585	4,805	4,710	4,744	4,840	5,057	
Exchange Fund	—	—	—	—	1,260	1,260	1,260	1,260	1,260	1,260	1,260	1,260	
Profits on exchange	—	2,090	2,623	3,233	3,202	3,178	3,202	3,280	3,228	3,176	3,178	3,178	
Claims on private sector	449	1,437	1,978	2,281	3,000	...	3,000	3,124	3,271	...	...	...
Claims on government	1,497	2,946	5,221	6,520	5,724	...	5,724	5,978	...	...	...	...
Bank of Thailand	1,186	2,742	4,965	6,340	5,452	5,850	5,452	5,784	5,610	5,778	5,850	5,795	
Deposit money banks	311	204	256	180	272	...	272	194	...	...	...	...
Treasury bill rate (% per annum) Δ	1.32	2.17	2.25	2.27	2.26	2.28	2.27	2.27	2.25	2.25	2.28	2.30	
Exchange rate (buying): Baht to dollar (US) Δ	19.69	18.64	18.11	21.20	21.39	20.62	21.11	20.53	20.70	20.67	20.57	20.50	
VIET-NAM (southern, 1,000 Mn piastre)													
Money supply	...	...	...	...	...	...	...	13.02	13.00	12.73	...	...
Currency: net active	...	...	...	...	...	...	...	7.99	7.92	8.42	...	...
Deposit money	...	...	...	...	...	...	...	5.03	5.08	4.31	...	...
Time deposits	...	...	...	...	...	...	...	0.14	0.14	0.14	...	...
Foreign assets	...	...	...	...	...	...	...	4.73	4.86	5.00	...	...
Banque Nationale du Viet-Nam	...	...	...	...	...	...	...	4.46	4.58	4.72	...	...
Other banks	...	...	...	...	...	...	...	0.27	0.28	0.28	...	...
Claims on private sector	...	...	...	...	...	...	...	1.39	1.70	1.79	...	...
Claims on government	...	...	...	...	...	10.68	...	10.68	10.68	10.68	10.68	...
Banque Nationale du Viet-Nam	...	...	...	...	...	10.68	...	10.68	10.68	10.68	10.68	...

GENERAL NOTE: *Net active currency:* Total currency outstanding less holdings in all banks including the central bank and in government treasuries. *Currency in circulation:* Total currency outstanding less holdings in all banks including the central bank. *Deposit money:* Private deposits in all banks subject to cheque or withdrawable on demand, excluding inter-bank liabilities. *Government deposits:* Including government currency holdings. *Bank clearings:* Total value of cheques and other collection items cleared through clearing houses. *Claims on private sector:* Claims by the bank system arising from the rendering of loans and advances, discounting of bills, the holding of securities in private companies, etc. *Claims on government:* Holdings of government bonds, treasury bills and government guaranteed securities by the bank system, plus circulation of treasury currency. *Rates of interest:* Rates prevailing in the capital city, except for India, where Bombay rates are used. *Call money rate* is inter-bank rate on money at call.

Δ Monthly averages or calendar months.

- Deposits of State Boards in State Commercial Bank.
- Including foreign assets of the Burma Currency Board up to July 1952.
- Including a constant amount of 99 million kyats, which is the value of a promissory note issued as cover for the currency issue.
- 5 year treasury bonds.
- Debits to demand deposits of private sector.
- 8% national development loan 1965-70 to earliest redemption date.
- Excluding currency held by government.

- Excluding holdings of securities.
- Excluding government bonds.
- Running yield of 3% paper to earliest redemption date.
- Payments agreement liabilities, mainly to Japan and the Netherlands.
- Weighted yield (simple rate of interest) to latest redemption date of medium dated government bonds issued during the period stated.
- Including deposits of local government and government institutions in commercial banks and non-governmental foreign currency deposits in Bank of Korea.
- Clearing accounts with Japan.
- Cheques sent out for clearing and debits to current deposit account.
- The number of clearing houses was increased in 1952 and 1953.
- Including outstanding assets receivable from the Reserve Bank of India under the partition agreements; excluding foreign assets of Banking Department from 1952.
- Yield to maturity of 3% bonds 1968.
- Total debits to checking account of private sector, except for 1948 when debits to government deposits are included.
- Including a constant amount of 107 million pesos from 1952, representing the difference between foreign assets transferred from the Treasury and its note and coin issue, for which the Bank assumed liability.
- Debits to sight deposit accounts except inter-bank.

UNITED



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